

FEDERAL TRADE COMMISSION  
WASHINGTON, D. C. 20580

BUREAU OF  
CONSUMER PROTECTION

January 25, 1974

Mr. Eric T. Newman  
6450 Cecil Avenue  
St. Louis, Missouri 63105

Dear Mr. Newman:

The Hobby Protection Act (P.L. 93-167), as you know, was signed into law on November 29, 1973. A copy is enclosed for your ready reference. It provides for the Federal Trade Commission to prescribe rules for determining the manner and form in which imitation political and numismatic items are to be permanently marked.

This Office is in the process of drafting appropriate rules and regulations with regard to the Act. It would appear that it would be in the best interest of consumers, industry and government to solicit your views as to what you would consider appropriate matters for inclusion in such regulations, respecting the manner and form of disclosure for imitation political and numismatic items. Although these proposed rules, as with all rules, will be published in the Federal Register for comment by interested parties, we are seeking informal input at this time from a few selected sources as an educational effort by this Office.

Therefore, in order for this Office to accumulate background information in the area, we would appreciate your opinion as to whether the marking requirements for imitation political items should state that:

- (1) The calendar year shall be displayed upon the item legibly, conspicuously and non-deceptively.
- (2) The calendar year shall appear in arabic numerals.

- (3) The calendar year shall be clearly legible to the naked eye.
- (4) The calendar year shall be permanently marked upon the item itself.
- (5) The calendar year shall be uniformly located at the bottom center of the back of the item.

Do you feel numismatic items should include language that:

- (1) The word "COPY" shall be incused upon the item legibly, conspicuously and nondeceptively.
- (2) The word "COPY" shall appear in the English language.
- (3) The word "COPY" shall be in capital letters.
- (4) The word "COPY" shall be clearly legible to the naked eye.
- (5) The word "COPY" shall be permanently marked upon the item itself.
- (6) The word "COPY" shall be uniformly located at the bottom center of the back of the item.

Your specific recommendations are solicited. We thereby hope to avoid any technical errors which could result from lack of knowledge of mechanical feasibilities. We also would be pleased to have any additional views you may wish to furnish beyond the specific matters listed above.

This letter and your response to this preliminary inquiry are considered confidential working papers and not binding upon the Commission. They should not be published or disseminated in any way, as there will be ample time for

Mr. Eric T. Newman

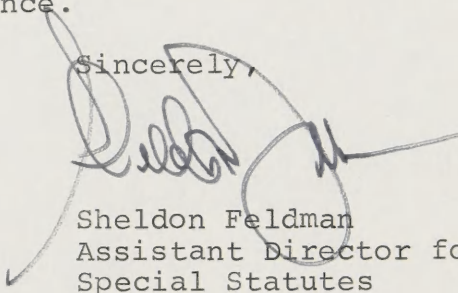
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additional comment on the proposed rules once they have been approved by the Commission and published in the Federal Register. With this mutual understanding, please send us your comments and suggestions on this matter. Your reply should be furnished to this Office by February 15, 1974. Please contact Mr. Justin Dingfelder (phone: Area Code (202) 962-7625) if you have any questions.

In addition, if you are aware of any individuals with expertise in this area (particularly with regard to political items) please furnish us with their names and addresses.

Thank you for your assistance.

Sincerely,



Sheldon Feldman  
Assistant Director for  
Special Statutes

Enclosure



Public Law 93-167  
93rd Congress, H. R. 5777  
November 29, 1973

## An Act

To require that reproductions and imitations of coins and political items be marked as copies or with the date of manufacture.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hobby Protection Act".*

Hobby Protection  
Act.

### MARKING REQUIREMENTS

SEC. 2. (a) **POLITICAL ITEMS.**—The manufacture in the United States, or the importation into the United States, for introduction into or distribution in commerce of any imitation political item which is not plainly and permanently marked with the calendar year in which such item was manufactured, is unlawful and is an unfair or deceptive act or practice in commerce under the Federal Trade Commission Act.

38 Stat. 717.  
15 USC 58.

(b) **COINS AND OTHER NUMISMATIC ITEMS.**—The manufacture in the United States, or the importation into the United States, for introduction into or distribution in commerce of any imitation numismatic item which is not plainly and permanently marked "copy", is unlawful and is an unfair or deceptive act or practice in commerce under the Federal Trade Commission Act.

(c) **REGULATIONS.**—The Federal Trade Commission shall prescribe rules for determining the manner and form in which items described in subsection (a) or (b) shall be permanently marked.

(d) **EXEMPTION.**—Subsections (a) and (b), and regulations under subsection (c), shall not apply to any common carrier or contract carrier or freight forwarder with respect to an imitation political item or imitation numismatic item received, shipped, delivered, or handled by it for shipment in the ordinary course of its business.

### PRIVATE ENFORCEMENT

SEC. 3. If any person violates section 2 (a) or (b) or a rule under section 2(c), any interested person may commence a civil action for injunctive relief restraining such violation, and for damages, in any United States District Court for a district in which the defendant resides or has an agent. In any such action, the court may award the costs of the suit, including reasonable attorneys' fees.

### ENFORCEMENT BY FEDERAL TRADE COMMISSION

SEC. 4. (a) Except as provided in section 3, this Act shall be enforced by the Federal Trade Commission under the Federal Trade Commission Act.

87 STAT. 686  
87 STAT. 687

(b) The Commission shall prevent any person from violating the provisions of this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this Act; and any such person violating the provisions of this Act shall be subject to the penalties and entitled to the privileges and immunities provided in said Federal Trade Commission Act, in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though the applicable terms and provisions of the said Federal Trade Commission Act were incorporated into and made a part of this Act.

## IMPORTS

SEC. 5. Any item imported into the United States in violation of section 2 (a) or (b) or regulations under section 2(c) shall be subject to seizure and forfeiture under the customs laws.

## APPLICATION OF OTHER LAW

SEC. 6. The provisions of this Act are in addition to, and not in substitution for or limitation of, the provisions of any other law of the United States or of the law of any State.

## DEFINITIONS

SEC. 7. For purposes of this Act:

(1) The term "original political item" means any political button, poster, literature, sticker, or any advertisement produced for use in any political cause.

(2) The term "imitation political item" means an item which purports to be, but in fact is not, an original political item, or which is a reproduction, copy, or counterfeit of an original political item.

(3) The term "original numismatic item" means anything which has been a part of a coinage or issue which has been used in exchange or has been used to commemorate a person or event. Such term includes coins, tokens, paper money, and commemorative medals.

(4) The term "imitation numismatic item" means an item which purports to be, but in fact is not, an original numismatic item or which is a reproduction, copy, or counterfeit of an original numismatic item.

(5) The term "commerce" has the same meaning as such term has under the Federal Trade Commission Act.

(6) The term "Commission" means the Federal Trade Commission.

(7) The term "United States" means the States, the District of Columbia, and the Commonwealth of Puerto Rico.

## EFFECTIVE DATE

SEC. 8. This Act shall apply only to imitation political items and imitation numismatic items manufactured after the date of enactment of this Act.

Approved November 29, 1973.

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LEGISLATIVE HISTORY:

HOUSE REPORT NO. 93-159 (Comm. on Interstate and Foreign Commerce).

SENATE REPORT No. 93-345 accompanying S. 1880 (Comm. on Commerce).

CONGRESSIONAL RECORD, Vol. 119 (1973):

May 16, considered and passed House.

July 31, Aug. 1, 2, considered and passed Senate, amended,  
in lieu of S. 1880.

Nov. 16, Senate receded from its amendments.

# ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis 5, Missouri

January 31, 1974

Federal Trade Commission  
Bureau of Consumer Protection  
Washington, D. C. 20580

Gentlemen:

In your letter of January 25, 1974, you have asked for our suggestions as to rules to be adopted under the Hobby Protection Act.

The more stringent the rules, as we see it, the less likely reproductions will be produced. We presume marked copies for commercial purposes are intended to be discouraged by the legislation.

We suggest that two examples of each reproduction be filed with the Commission before being introduced into commerce, accompanied by a statement of the name and address of the manufacturer and distributor, place and date of manufacture.

It must first be determined what a reproduction is. If an item is of a different material, a different size, different design or text, then there must be a definition of the permitted variance. If it reproduces one side and not the other, is it a reproduction, etc., if its edge is different but not the faces.

You mention the location of a marking on the bottom center of the back. I would like to see the marking on each face as it may be mounted so the marking is unseen. It merely causes deception to show the unmarked side of a copy. As to the use of the word "incused", that would be applicable only to metallic objects. Paper money copies could not have anything incused on them.

The minimum size of "1974" or "COPY" should be specified so as not to leave "naked eye" arguments.

Publication of pictures of items for news or educational purposes should not be restricted.

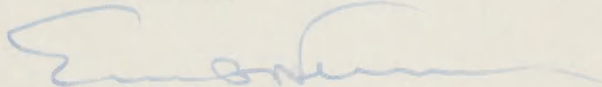
Many items could be said to have been manufactured before the act was passed when they were not. The date of manufacture can also be said to be unknown. The burden should be on the person putting unmarked pieces in commerce to prove a date of manufacture before the Act, particularly where the date of acquisition by the seller is after the Act was passed. This is very important if the law is to be of any force or effect.

Please call me, 314-621-7300, if you wish to discuss any of the above points. We would like to see a redraft of the rules before publication in the Federal Register as it is important to have them rather thorough in the beginning.

Federal Trade Commission  
January 31, 1974  
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We hope we have been helpful.

Sincerely,



Eric P. Newman

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# Coin World

THE WEEKLY NEWSPAPER OF THE ENTIRE NUMISMATIC FIELD

SIDNEY NEWS BUILDING PH: 513 492-4141 SIDNEY, OHIO 45365

February 14, 1974

Mr. Sheldon Feldman  
Assistant Director for Special Statutes  
Federal Trade Commission  
Bureau of Consumer Protection  
Washington, D.C. 20580

Dear Mr. Feldman:

In response to your January 25 letter asking for Coin World opinion on proposed regulations to enforce the Hobby Protection Act:

We agree with Points 1, 2, 3 and 4, outlined in your letter.

We believe, however, the calendar year should be located on both the front and back of political items, with some leeway in positioning. Confining the date to bottom center could interfere with the aesthetics (if there is such a thing) or education factor of the reproduction. We are certain you have a copy of the recent American Political Items Collectors edict, but we are enclosing a copy anyway.

We go along with your points 1, 2, 3, 4 and 5 for numismatic items, but with certain specifics.

Point 6, in our opinion, again should provide for markings on both the front and back of the item with fluidity as to position. Coins and similar objects can be split and affixed to other items, creating a deceptive object.

We believe the word, copy, should appear on a portion of the plain field on the front and back of numismatic items. It should be legible, apparent to the naked eye, at least two millimeters in height, capital letters, preferably; incused to at least three-tenths of a millimeter, except in the case of extremely thin objects. These should carry the word, copy, to the depth of at least one-half actual thickness of the piece.

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Mr. Sheldon Feldman  
Federal Trade Commission  
Washington, D.C. 20580  
February 14, 1974

Reason for the incuse depth of the markings is obvious--to defeat removal by skilled craftsmen with jeweler tools. Edge markings are not acceptable because of the ease of removal.

Non-metallic numismatic items, such as paper money, stock, mining certificates, checks, even fabric items such as notgeld from linen, silk and leather, should be marked with the word, copy, with the same stipulations as those for metal numismatic items.

Positioning of the word, copy, is important here--it should be placed well within the body of the text of the item so it cannot be readily clipped off.

Our fear here is that the printing of the word, copy, can be erased (this is easily done even with our highly secure Federal Reserve notes by contrivers of pseudo paper money rarities.)

We do not believe embossing the word, copy, would be effective on paper items. This can be steamed and pressed away. Nor do we believe indelible ink is the answer.

We would like to propose that manufacturers of such deceptive items as the fake colonial note we are enclosing be required to use watermarked paper with the word, copy, as a watermark repeated at inch-and one-half intervals. We believe this would require an approximate one-time expenditure on the part of the producer of about \$500.

We would require burden of proof of the date of manufacture to be placed upon the seller of all reproductions.

We wonder about the variances to be permitted: For example, the Bureau of the Mint is planning to reproduce some of its Revolutionary war medallions in a different metal (pewter). Are these "imitation numismatic items" and would they require the "copy" designation?

If numismatic items are produced in different materials, but maintain devices of the original pieces, will these be termed "imitation"? What about uniface items, produced with fidelity of the original piece, candidates for assembling with another front or back, and thus a deceptive piece?

Would it be possible for you to require manufacturers of reproductions to submit proposed items in advance to your distinguished agency for clearance? The Treasury Department-Secret Service renders such a service on an informal basis to collectors and dealers who produce numismatic novelties involving U.S. Securities.

Page three.  
Mr. Sheldon Feldman  
Federal Trade Commission  
Washington, D.C. 20580  
February 14, 1974

Must a civil suit be filed against alleged violators of the Hobby Protection Act before Federal Trade Commission action? Or will the Federal Trade Commission begin investigation and take action, if warranted, if a potential violation of the Hobby Protection Act is called to its attention? Exactly what procedures do collectors follow if they suspect the Hobby Protection Act is being violated? Would there be a penalty for the removal or attempted removal of a date or the word, "copy"?

We are certain you have anticipated the problem of distinguishing the pieces (numbering into the millions) manufactured before the effective date of the law from those produced subsequent to passage of Public Law 93-167.

We would recommend that you acquire a reference collection of such replicas now in existence, together with a set of the catalogs and literature distributed by many agencies, offering numismatic reproductions, many of them unaware of the damage such unmarked copies bring to our science-hobby-industry.

We would also suggest as a requirement that examples of items produced following enactment of the Hobby Protection Act be placed on file with your Commission.

Will you confiscate unmarked numismatic reproductions should they violate the Hobby Protection Act? We are enclosing a pertinent New York Times story which should be in your files.

Is it possible, to see the proposed regulations in their final draft, for one more look at them before they are published in the Federal Register?

Of course, as the numismatic press, we will be most anxious to publicize developments in the enforcement of the Act, but we understand we will need to await formal publication of rules and regulations in the Federal Register.

Perhaps for further clarification, somewhere along the line, there should be mention that reproduction of legal tender U.S. coins and paper money, cannot be devised in violation of 18 U.S. C. 481 and 489.

cc: Justin Dingfelder

Sincerely,

COIN WORLD

MR:dc

Margo Russell (Mrs. Marion)  
Editor

Enclosures: NYT article  
APIC Revised Code 12/5/73  
18 Pence No. 8418

## Numismatics

# A Big 'Week' In April

By HERBERT C. BARDES

**A**N especially urgent call for action in support of National Coin Week, which this year begins on April 21, has been put out by the sponsoring American Numismatic Association. It is conducting a nationwide campaign to enlist the support of individual collectors, as well as local, state and regional clubs and associations on a greater-than-ever scale.

There are at least three reasons why this year's National Coin Week has special significance. First, it is the golden jubilee of this event (1924-1974). This promotional idea was conceived with, and is still dedicated to, a single purpose: to spread the good word about the numismatic hobby to non-collectors all over the country.

Second, the week has sometimes been less than a howling success. Since there is no sure way to measure the actual success of any given year's National Coin Week by its results (how many new collectors did it bring into the hobby?), the only yardstick is the enthusiasm and amount of participation by hobby members. This is where the phrase "less than a howling success" can be applied. The A.N.A. is determined to turn this around and give N.C.W. a rousing start into its second half-century.

Third, a bill has been introduced into the House of Representatives calling for a Presidential Proclamation that will officially and permanently designate the third week of April as National Coin Week.

There is actually a fourth reason why this year's N.C.W. is "special." A great deal of attention has been directed to the numismatic aspect of coins by the impending changes in the reverse design of the dollar, half-dollar and quarter, to commemorate the American Revolution Bicentennial. The judging to select

## Hobby Protection Act Spurs Action

The new Hobby Protection Act has reportedly not yet been invoked in a large-scale, organized way against manufacturers, importers or sellers of unmarked replicas of coins and medals. Possibly the hobby's major organizations are studying the provisions of the law to determine how it can best be implemented; hopefully, one or more groups are even now making quiet, behind-the-scenes preparations for an all-out drive to get rid of replicas that are not so marked and to force manufacturers to observe the law by placing the word "copy" in an ineradicable way (preferably incused) in a prominent area on the obverse or reverse of all replicas produced from now on. But while the big boys are checking out the situation, one individual collector has decided that the mere existence of the law is a base strong enough to support an attack. Last month Andrew Reiz of Kansas City, Mo., read a report that the Israel government was planning to reproduce quantities of rare ancient Jewish coins for sale to tourists. The report did not say whether or not the word "copy" would be made

part of the reproductions, so he reasoned that a friendly word of warning might nip this problem in the bud. The following is an excerpt from his letter to Moshe Kol, Israel's Minister of Tourism.

"I do not know if you are aware that we here in the United States have been plagued by coin counterfeiting, spurious coins and replica reproductions of modern and ancient coins. Things had gotten so bad, in fact, that Congress recently passed a law making it a punishable offense to duplicate any numismatic material unless it is identified as a replica or restrike. I was shocked to learn that your agency was going to distribute to tourists specially minted replicas of ancient Jewish coins. Unless these replicas are clearly so marked, it will be against the law for American tourists to bring them into the U.S.; not only that, but the coins will be subject to confiscation and anyone trying to bring them in will be subject to penalties. It would behoove you to look into this matter before you distribute any of this material, which all honest collectors in the U.S. look upon with disdain and horror."

stimulated by that contest should send a clear message to Washington that citizen interest in the non-monetary importance of coins is at an all-time high.

While not minimizing the vital role of collector-participation in N.C.W. activities in April, the A.N.A. is putting first things first and is thus concentrating its immediate attention on rallying massive Presidential support for the N.C.W. Proclamation. The legislation that calls for this executive action is in the form of Joint Resolutions in the House and Senate—H. J. Res. 737/863 and S. J. Res. 181.

Many hundreds and probably thousands of special-interest bills are introduced into Congress each year. The few that receive favorable action are invariably the ones that Congressmen and Senators hear about — loud and long — from their constituents. Support for a bill from its sponsors is taken for granted, but when the voters express interest, that bill suddenly acquires glamour.

strong, formal request for another flood-tide of "letters to your own Congressman and Senator" — letters written by individuals and group-signature letters from local clubs.

Anyone who doubts the efficacy of such citizen action need only recall a major hobby event a few months ago. An outpouring of support from voters (who also happened to be concerned collectors) forced a piece of legislation out of the House and Senate subcommittees where it had been languishing, pushed it to a vote and finally saw it enacted into law. That legislation was, of course, the long-needed anti-counterfeit law called the Hobby Protection Act.

The A.N.A. is also calling the numismatic fraternity's attention to the critical time element involved. By the standards of the slow-grinding Congressional legislation mill, April is just around the corner. So letters to elected representatives in the House and Senate (Washington 20510) in support of H. J.

In another "advance-guard" action designed to build widespread interest in National Coin Week, the A.N.A. is conducting a contest to choose a slogan for this golden anniversary observance. The contest is open to all—members and non-members alike. The A.N.A.'s headquarters address (for submitting slogan entries or requesting further information) is P.O. Box 2366, Colorado Springs, Colo. 80901. The contest closes Feb. 15.

### SALE THIS WEEK

New York's major numismatic auction schedule for the new year gets under way this week. Stack's of 123 West 57th Street, N.Y. 10019, will offer more than 1,700 lots of United States, foreign and ancient Greek and Roman gold, silver and copper coins in a three-session sale in the New York Sheraton Hotel, Seventh Avenue at 56th Street, starting at 7 P.M. next Thursday, Jan. 31. The second session will begin at the same hour on Friday, and the final session will start at 1 P.M. on Saturday. The lots

A.P.I.C.



Organized 1945

## American Political Items Collectors

December 5, 1973

### TO THE MEMBERSHIP:

Following this letter you will find a proposed revision of the American Political Items Collectors Code of Ethics. A number of people have worked on this revision for several months. Developed by a sub-committee of the Committee on Ethics, the proposed revision has been sent to the Legal Advisory Council and Constitution Committee and has been unanimously endorsed by the APIC Executive Board.

Your officers felt the original Code of Ethics on Reproductions did not cover some of the problems encountered in our hobby that have rose since the original code was written. The membership was not being well enough protected against the production and distribution of many items circulating within our field of collecting. Therefore, the following proposed revision of the American Political Items Collectors Code of Ethics on Reproductions and Imitations and Conduct of Members is being presented to the membership for your careful study and consideration. I urge each of you to read this proposal, comparing it with the original code on pages 120-121 in the 1973 APIC Membership Roster. And I ask for your vote of approval in passing the proposed revision.

Besides covering the areas of reproductions and fantasy or fake items, the proposed code also bans items purposefully manufactured for the collector. This inclusion would have prohibited the manufacture, sale or trade of many items that circulated in the 1968 and 1972 campaigns if it had been in effect. It will help to prohibit the manufacture and distribution of imitation and fantasy items in future campaigns.

The proposed code has been expanded to include more specific rules regarding the conduct of members in terms of buying, selling and trading items, as well as the manufacture of items. The protection of our membership, particularly the newer and younger members, was uppermost in the minds of those working on the revision. If the revised code is endorsed by the membership, it will strengthen both our hobby and our organization.

Please use the enclosed ballot and envelope (addressed to the chairman of the APIC Teller's Committee) for voting on the code revision. The ballot envelope must be postmarked within 30 days and your name, address and APIC number included on the envelope.

Sincerely,

*Larry L. King*  
President

AMERICAN POLITICAL ITEMS COLLECTORS  
REVISED CODE OF ETHICS ON REPRODUCTIONS AND IMITATIONS  
ALSO CODE OF CONDUCT OF APIC MEMBERS

REPRODUCTIONS AND FANTASIES:

I. POLICY

The manufacture and sale of reproductions of political items and imitation or fantasy items is detrimental to political Americana as a hobby. These items have been and are initiated, produced and sold primarily for profit motives without regard to the effect on the hobby. They encourage fraud, deception and doubt. More important, they cause a loss of respect for and a diversion of interest from genuine political material, diluting the significance of a hobby built on historic principle and devoted to the preservation of Americana. Such items are also known as Brummagem.

II. POLITICAL ITEMS DEFINITION

- (A) A political item shall constitute a coin, token, medal (or medalet), ferrotype, celluloid button, lithographed tin button, shank button, lapel tab, badge, ribbon, poster, sheet music, cane, lantern, umbrella, fan, torchlight, plate, mug, tumbler, watch fob, postcard, ticket, ballot, handbill, jewelry, pennant, banner, print, blown or molded glass flask, automotive decoration, book and any other items generally included in the field of political Americana.
- (B) A political item shall include items from any geographical area or any period. It shall include items in connection with any political party or any national, state or local candidate or cause.

III. BANNED ITEMS

A banned item shall be an item included in any of the following categories subject to the exceptions contained in Section V:

- (A) Any political reproduction having one side or more in general imitation of a political item theretofore existing.
- (B) Any imaginary or fake item pretending to be a political item which theretofore might have existed, but which actually did not exist in any state as an item used in the campaign or at the time pretended.
- (C) Any item manufactured before, during or after a campaign for the purpose of sale or trade to collectors but not actually used in the campaign, called "collector" items.

IV. GUIDES TO BANNED ITEMS

It shall not affect the status of a banned item:

- (A) Whether the item has been struck, cast, molded, electrotyped, printed by means of movable type or by offset lithography, manufactured in a manner used to produce celluloid buttons, altered, or reproduced by any other means.
- (B) Whether the dies or molds, if any, from which it was produced originated through direct cutting, punching, casting, transfer hubs, spark erosion, impact or any other means.
- (C) Whether it is marked "copy," "restruck," "fantasy," "Kettle," "Becker," or any other differentiating words, letters, symbols, either raised, incused or in another manner.
- (D) Whether or not it is made of any particular material.
- (E) Whether or not its nature was or was not originally or at any previous occasion disclosed.

V. EXCEPTIONS TO BANNED ITEMS

- (A) Acknowledgment is hereby made that during the middle and late 19th century certain earlier medalets were restruck and distributed usually without any identifying marks. Many of these pieces are noted in A Century of Campaign Buttons, 1789-1889 by J. Doyle DeWitt. Also, several types of George Washington inaugural shank buttons were produced during the centennial celebration in 1889. These are identified in the book, Washington Historical Buttons by Alphaeus H. Albert. It is not the intention of this code to ban such items produced prior to the 20th century, provided that appropriate descriptive language is used in any written description of such items.
- (B) Collector items, see Section III (C), manufactured prior to the approval of this revised APIC Code of Ethics (January 1974) are not considered banned items.

- (C) A photograph or other similar two dimensional pictorial representation of a political item shall not be considered as a banned item, except that pictorial representations of paper political items other than photographs shall be banned items unless published as a physical part of a publication.

#### CONDUCT OF MEMBERS:

##### VI. UNLAWFUL PRACTICES:

- (A) APIC members shall not produce items, or have them produced, unless they are exclusively for official or legitimate political purposes. Any APIC member who knowingly orders, or in any way acquires items which were not made for political purposes such as political rallies, headquarters, conventions, fund raising or other activities within the scope of political campaigns, and offers these for sale or trade, will be subject to removal from APIC. This shall include items related to any political party or any national, state or local candidate or cause.
- (B) APIC forbids reproducing any political item, even if it is marked as such and dated.
- (C) Selling or trading, advertising for sale or trade, offering for sale or trade, manufacturing or procuring the manufacture of any banned item as listed in Section III of this code, having knowledge of its status as such, shall be an undesirable practice with the member subject to removal from APIC. This shall include items related to any political party or any national, state or local candidate or cause.
- (D) When advertising, selling or trading, APIC members must act in a fair and equitable way with regard to truthful representation of their items as pertaining to condition, value and authenticity.
- (E) Auctions (mail or live), price lists and other like efforts conducted by APIC members must be operated in a fair and equitable way. While it is not the function of APIC to dictate terms for such endeavors, APIC insists that all stated regulations and rules guiding private sale or trade bargaining be strictly adhered to.

##### VII. EXCEPTION TO CONDUCT OF MEMBERS

Any APIC member directly involved in an official campaign capacity may have items produced for that campaign if such a duty falls within his official campaign capacity. However, in keeping with the APIC stated goal of eliminating collector produced items, no more than one half of one percent of the total production run may be retained for his/her personal use. An appropriate official of APIC designated by the President must have knowledge of such items prior to distribution to assure legitimacy, such knowledge supplied in the form of a signed affidavit by the member.

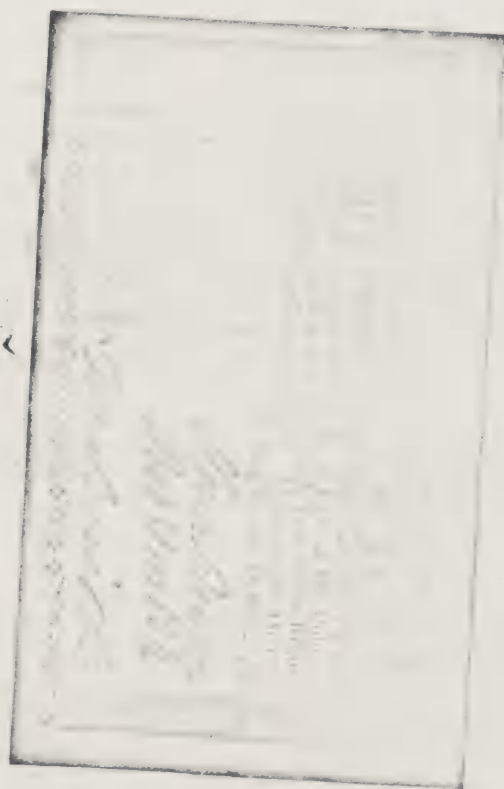
##### VIII. MEMBER OBLIGATIONS

- (A) Each member of APIC has an obligation to discourage and prevent the manufacture and distribution of banned items insofar as it is within his power to do so. Should a member be aware of a proposal to produce and/or distribute items such as described in this code and has unsuccessfully attempted to thwart such plans, he should immediately notify his regional vice president and the chairman of the APIC Committee on Ethics.
- (B) If a fellow member of APIC is believed to be in violation of any act listed under Section VI of this code, it is a member's obligation to report the violation immediately to his regional vice president and the chairman of the Committee on Ethics.

##### IX. DENIAL OF PRIVILEGES

Any person, firm or corporation (including any person participating in the management of any such firms or corporations) committing an undesirable practice as above defined, may be removed from membership or denied membership in the American Political Items Collectors, as provided under Article IV, Section D and Article VII, Section C, Item 11, of the APIC Constitution.





FEDERAL TRADE COMMISSION  
WASHINGTON, D. C. 20580

BUREAU OF  
CONSUMER PROTECTION

FEB 18 1974

Mr. Eric P. Newman  
Numismatic Education Society  
6450 Cecil Avenue  
St. Louis, Missouri 63105

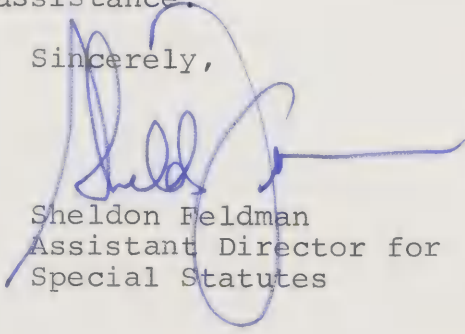
Dear Mr. Newman:

Thank you for submitting suggestions on the manner and form of disclosure for marking imitation political and numismatic items in accordance with the Hobby Protection Act (P.L. 93-167). We are very appreciative of the time and effort you spent in formulating your comments. Please be assured that we will carefully consider your suggestions when we draft the proposed Rules implementing the statutory requirements.

As soon as the proposed Rules are published in the Federal Register we will furnish you with a copy for any additional comment.

Again, thank you for your assistance.

Sincerely,



Sheldon Feldman  
Assistant Director for  
Special Statutes

FEDERAL TRADE COMMISSION  
WASHINGTON, D. C. 20580

BUREAU OF  
CONSUMER PROTECTION

JUL 1 1974

Mr. Eric P. Newman  
6450 Cecil Avenue  
St. Louis, Missouri 63105

Dear Mr. Newman:

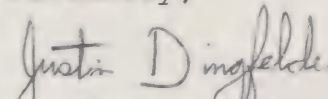
Pursuant to the Hobby Protection Act (P.L. 93-167, 15 U.S.C. §2101 et seq.) the Federal Trade Commission has initiated a proceeding for the promulgation of regulations to implement the Act.

Accordingly, on July 19, 1974, the Commission published in the Federal Register its proposed regulations for determining the manner and form in which imitation political and imitation numismatic items are to be permanently marked.

A copy of the proposed regulations is enclosed for your use and comment. Your reply should be furnished to this Office by September 17, 1974.

Thank you for your assistance.

Sincerely,



Justin Dingfelder, Attorney  
Division of Special Statutes

Enclosure

ceived these documents from the manufacturer may obtain copies upon request to the Service Manager, Bell Helicopter Company, P.O. Box 482, Fort Worth, Texas 76101. These documents may also be examined at the Office of the Regional Counsel, Southwest Region, FAA, 4400 Blue Mound Road, Fort Worth, Texas, and at FAA Headquarters, 800 Independence Avenue, SW., Washington, D.C. A historical file on this A.D. which includes the incorporated material in full is maintained by the FAA at its headquarters in Washington, D.C., and at the Southwest Regional Office in Fort Worth, Texas.

Issued in Fort Worth, Texas on July 8, 1974.

HENRY L. NEWMAN,  
Director, Southwest Region.

[FR Doc.74-16481 Filed 7-18-74;8:45 am]

## ENVIRONMENTAL PROTECTION AGENCY

### [40 CFR Part 115]

[FRL 238-4]

### AQUACULTURE PROJECTS

#### Extension of Comment Period

On June 13, 1974, the Environmental Protection Agency (EPA) published a notice of proposed rulemaking pursuant to sections 318 and 501 of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. (39 FR 20770). The proposed regulation establishes requirements for the approval of discharges of pollutants to aquaculture projects. The due date for comments provided in the notice was July 15, 1974.

Several requests for an extension of time in which to comment have been received by EPA from interested persons who indicated that additional time was required in which to prepare and submit meaningful comments.

EPA has decided that an extension of time to August 15, 1974 is reasonable. Accordingly, the date for submission of comments is hereby extended to and including August 15, 1974.

JAMES L. AGU,  
Assistant Administrator for  
Water and Hazardous Materials.

JULY 16, 1974.

[FR Doc.74-16612 Filed 7-18-74;8:45 am]

## FEDERAL COMMUNICATIONS COMMISSION

### [47 CFR Part 76]

[Docket No. 20023]

### CABLE TELEVISION TECHNICAL STANDARDS

#### Advisability of Federal Preemption and Imposition of Moratorium on Non-Federal Standards: Order Extending Time for Filing Comments and Reply Comments

Amendment of Part 76 of the Commission's rules and regulations relative to an inquiry on the need for new regu-

lations in the area of transfers of control of cable television franchises.

1. Initial comments in the captioned proceeding (46 FCC 2d 175) are now due July 12, 1974. By letter of July 8, 1974, Charles H. Helein, Esquire, requested an extension of time in which to file comments until July 26, 1974, indicating that the burden of filing comments in the numerous pending cable television related proceeding necessitates the requested extension if well-considered and thorough comments are to be filed in this proceeding.

2. It appearing that good cause therefor has been shown, we will grant the requested extension of time.

Accordingly, it is ordered, That the dates for filing comments and reply comments in the captioned proceeding are extended to and including July 26, 1974 and August 13, 1974, respectively.

This action is taken by the Chief, Cable Television Bureau, pursuant to authority delegated by § 0.289 of the Commission's rules and regulations.

Adopted: July 10, 1974.

Released: July 11, 1974.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] DAVID D. KINLEY,  
Chief, Cable Television Bureau.

[FR Doc.74-16515 Filed 7-18-74;8:45 am]

### [47 CFR Part 76]

[Docket No. 19995]

### CABLE TELEVISION; NETWORK PROGRAM EXCLUSIVITY

#### Order Extending Time for Filing Comments and Reply Comments

In the matter of amendment of Subpart F of Part 76 of the Commission's rules and regulations with respect to network program exclusivity protection by cable television systems.

1. On April 9, 1974, the Commission released its notice of inquiry and proposed rulemaking in the above-entitled proceeding, setting deadlines of June 17, 1974, and July 5, 1974, for comments and reply comments respectively. In response to petitions for extension of time filed by the Association of Maximum Service Telecasters, the National Association of Broadcasters and several other parties the Commission, by order released June 7, 1974, (39 FR 20813) extended the time for filing comments to July 17, 1974 and for reply comments to August 12, 1974.

2. On July 8, 1974 the National Cable Television Association (NCTA) filed a petition for an additional 15 day extension of time, until July 30, 1974, in which to file comments. NCTA states that this additional period is needed to complete the compilation of data to be submitted to the Commission in this proceeding.

3. We will grant NCTA's petition to extend the time for filing comments in Docket 19995, it appearing that the public interest would be served by so doing.

Accordingly, it is ordered, That the dates for filing comments and reply com-

ments in Docket No. 19995 are extended to and including July 30, 1974 and August 27, 1974, respectively.

This action is taken by the Chief, Cable Television Bureau, pursuant to authority delegated by § 0.289(c) (4) of the Commission's rules.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] DAVID D. KINLEY,  
Chief, Cable Television Bureau.

[FR Doc.74-16516 Filed 7-18-74;8:45 am]

## FEDERAL TRADE COMMISSION

### [16 CFR Part 304]

### PERMANENT MARKING FOR IMITATION POLITICAL AND IMITATION NUMISMATIC ITEMS

#### Opportunity To Submit Data, Views or Comments

Notice is hereby given that the Federal Trade Commission, pursuant to the Hobby Protection Act, 15 U.S.C. 2101, et seq., the Federal Trade Commission Act, as amended, 15 U.S.C. 41, et seq., the provisions of Part 1, Subpart B of the Commission's Procedures and Rules of Practice, 16 CFR 1.11, et seq., and section 553 of Subchapter 11, Chapter 5, U.S.C., has initiated a proceeding for the promulgation of regulations to implement the Hobby Protection Act.

Accordingly, the Commission proposes the following regulations under the Hobby Protection Act:

#### § 304.1 Terms defined.

(a) "Act" means the Hobby Protection Act (approved November 29, 1973; Pub. L. 93-167, 87 Stat. 686, (15 U.S.C. 2101, et seq.)).

(b) "Commerce" has the same meaning as such term has under the Federal Trade Commission Act.

(c) "Commission" means the Federal Trade Commission.

(d) "Imitation numismatic item" means an item which purports to be, but in fact is not, an original numismatic item or which is a reproduction, copy, or counterfeit of an original numismatic item. Such term includes an original numismatic item which has been altered or modified in such a manner that it could reasonably purport to be an original numismatic item other than the item which was altered or modified. The term shall not include any re-issue or re-strike of any original numismatic item by the United States or any foreign government.

(e) "Imitation political item" means an item which purports to be, but in fact is not, an original political item, or which is a reproduction, copy or counterfeit of an original item.

(f) "Original numismatic item" means anything which has been a part of a coinage or issue which has been used in exchange or has been used to commemorate a person, object, place or event. Such term includes coins, tokens, paper money, and commemorative medals.

(g) "Original political item" means any political button, poster, literature,

sticker, or any advertisement produced for use in any political cause.

(h) "Person" means any individual, group, association, partnership or any other business entity.

(i) "Regulations" means any or all regulations prescribed by the Federal Trade Commission pursuant to the Act.

(j) "United States" refers to any State, the District of Columbia, and the Commonwealth of Puerto Rico, and any territory or possession of the United States.

#### § 304.2 General requirement.

Imitation political or numismatic items subject to the Act shall be marked in conformity with the requirements of the Act and the regulations promulgated thereunder. Any violation of these regulations shall constitute a violation of the Act and of the Federal Trade Commission Act.

#### § 304.3 Applicability.

Any person engaged in the manufacturing, or importation into the United States for introduction into or distribution in commerce, of imitation political or imitation numismatic items shall be subject to the requirements of the Act and the regulations promulgated thereunder.

#### § 304.4 Marking requirements for imitation political items.

(a) An imitation political item which is manufactured in the United States, or imported into the United States for introduction into or distribution in commerce, shall be plainly and permanently marked with the calendar year in which such item was manufactured.

(b) The calendar year shall be marked upon the item legibly, conspicuously and nondeceptively, and in accordance with the further requirements of these regulations.

(1) The calendar year shall appear in arabic numerals, shall be based upon the Gregorian calendar and shall consist of four digits.

(2) An imitation political item of incusable material shall be incused with the calendar year in sans-serif numerals. Each numeral shall have a vertical dimension of not less than two millimeters (2.0 mm) and a minimum depth of three-tenths of one millimeter (0.3 mm) or one-half ( $\frac{1}{2}$ ) the thickness of the reproduction, whichever is the lesser. The minimum total horizontal dimension for the four numerals composing the calendar year shall be six millimeters (6.0 mm).

(3) An imitation political button, poster, literature, sticker or advertisement composed of nonincusable material shall be imprinted with the calendar year in sans-serif numerals. Each numeral shall have a vertical dimension of not less than two millimeters (2.0 mm). The minimum total horizontal dimension of the four numerals composing the calendar year shall be six millimeters (6.0 mm).

#### § 304.5 Marking requirements for imitation numismatic items.

(a) An imitation numismatic item which is manufactured in the United States, or imported into the United States for introduction into or distribution in commerce, shall be plainly and permanently marked "COPY."

(b) The word "COPY" shall be marked upon the item legibly, conspicuously and nondeceptively, and in accordance with the further requirements of these regulations.

(1) The word "COPY" shall appear in capital letters, in the English language.

(2) An imitation numismatic item of incusable material shall be incused with the word "COPY" in sans-serif letters having a vertical dimension of not less than two millimeters (2.0 mm) and a minimum depth of three-tenths of one millimeter (0.3 mm) or to one-half ( $\frac{1}{2}$ ) the thickness of the reproduction, whichever is the lesser. The minimum total horizontal dimension of the word "COPY" shall be six millimeters (6.0 mm).

(3) An imitation numismatic item composed of nonincusable material shall be imprinted with the word "COPY" in sans-serif letters having a vertical dimension of not less than two millimeters (2.0 mm). The minimum total horizontal dimension of the word "COPY" shall be six millimeters (6.0 mm).

All interested persons are hereby notified that they may file written data, views or comments concerning the proposed regulations with the Assistant Director for Special Statutes, Federal Trade Commission, Washington, D.C. 20580, on or before September 17, 1974. To the extent practicable, persons wishing to file written statements in excess of two pages should submit twenty copies.

The data, views and comments presented with respect to the proposed regulations will be available for examination by interested persons in Room 130 of the Division of Legal and Public Rec-

ords, Federal Trade Commission, Washington, D.C., and will be considered and evaluated by the Commission in the establishment of the regulations.

By direction of the Commission.

Dated: July 10, 1974.

[SEAL]

CHARLES A. TOBIN,  
Secretary.

[FR Doc.74-16571 Filed 7-18-74; 8:45 am]

## SMALL BUSINESS ADMINISTRATION

[13 CFR Part 121]

### SPECIAL METHOD FOR COMPUTING SIZE OF CONCERN ADVERSELY AFFECTED BY A MILITARY BASE CLOSING

#### Cancellation of Proposal To Adopt

On May 13, 1974, there was published in the FEDERAL REGISTER (39 FR 17111) a notice that the Small Business Administration proposed to adopt a special method for determining the small business eligibility of a concern for use in cases in which the concern has suffered a significant reduction in annual receipts or employment due to the closing of a United States military installation such as a post, camp, or station. The public was given 15 days in which to file comment on the proposal.

Numerous comments were submitted in opposition to adoption of the proposal, among which were (1) that the amendment would permit concerns which under our current definitions are in fact other than small business to compete with small business concerns on procurements reserved for award to small concerns; (2) that once a concern reaches large business status it should have the resources and foresight to cope with changing market conditions and, therefore, should not be placed in competition with small businesses that are still under the umbrella; (3) that the regulation would be extremely complex to administer effectively as, for example, it would be very difficult to ascertain when a concern's loss of receipts was due to the base closing and whether more than 51 percent of such concern's annual receipts were the result of its business transactions with such installation or its personnel.

On the basis of all of the comments, we have determined not to adopt the proposal.

Dated: July 5, 1974.

LOUIS F. LAUN,  
Acting Administrator.

[FR Doc.74-16543 Filed 7-18-74; 8:45 am]

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis 5, Missouri

August 14, 1974

Mr. Justin Dingfelder, Attorney  
Federal Trade Commission  
Bureau of Consumer Protection  
Washington, D. C. 20580

Dear Sir:

In your letter of July 19, 1974, you advised me that the Federal Trade Commission had published proposed regulations in the Federal Register. You suggested that we might wish to comment.

We did comment on January 31, 1974, and wish to emphasize again certain items which should be included in the regulation.

The marking copy should be on each face of a numismatic item if it has more than one face. The date should be next to the word, "copy", or as a substitution for the word, "copy" because of the exemption of items made before the passage of the Act. In the definition of terms (d), I would like to suggest the word, "appears" in place of the word, "purports". The word, "purports" relates to the intention of the manufacturer, while the word, "appears" relates to a third party. I still urge the filing of a marked imitation with the Federal Trade Commission.

Everything should be done to discourage the making of imitations. We hope we have been helpful.

Very truly yours,

Eric P. Newman

EPN:jah

*EPN -  
Volunteer -  
Read in  
reading  
file*

FEDERAL TRADE COMMISSION

WASHINGTON, D. C. 20580

BUREAU OF

CONSUMER PROTECTION

SEP 23 1974

Mr. Eric P. Newman  
Eric P. Newman Numismatic  
Education Society  
6450 Cecil Avenue  
St. Louis, Missouri 63101

Dear Mr. Newman:

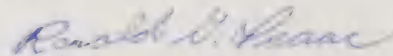
This will reply to your letter concerning suggested modifications of the proposed Federal Trade Commission regulations relative to the Hobby Protection Act.

One of your suggestions was that the word "appears" be substituted for the word "purports" in proposed Section 304.1(d) defining imitation numismatic items. Since the Act in Section 7(4) uses the term "purports" in the definition of imitation numismatic item, it would be inconsistent for the Commission to substitute language where Congress has clearly expressed its intent.

You also suggest that the date of manufacture be substituted for the word "COPY" as the marking requirement on imitation numismatic items. Again, Congress has expressly required that the word "COPY" be marked on these items. See Section 2(b) of the Act. Therefore, the Commission cannot vary the legislated requirements.

Your other suggestions will be given careful consideration.

Sincerely,



Ronald G. Isaac,  
Law Clerk,  
Division of Special Statutes

June 2, 1975

This suggested form of letter  
has been sent to:

Harvey Stack  
Virginia Culver  
Ed Rochette  
Charles Hoskins.

*From the desk of*  
*ERIC P. NEWMAN*

SUGGESTED FORM OF LETTER

Mr. Justin Dingfelder  
Bureau of Consumer Protection  
Federal Trade Commission  
Washington, D. C. 20580

Re: Hobby Protection Act

Dear Mr. Dingfelder:

As you no doubt know, the American Numismatic Association operates in Washington, D. C. a service to determine the genuineness of coins under the name American Numismatic Association Certification Service, known as ANACS. Charles R. Hoskins is the Director and the office is at Suite 1120, Munsey Building, 1329 E Street, N.W., Washington, D. C., 20006. The mailing address is P. O. Box 87, Ben Franklin Station, Washington, D. C., 20044. The telephone is 202-347-1694.

There may be occasions where your department may need facts, opinions or advice with respect to what is a numismatic item, whether the marking of the word COPY is properly placed or sized or some other matter relating to your work.

We would like to cooperate with you by offering to you without cost any such service which we can reasonably furnish. We believe that we can be helpful to you and hope that you will work out with our ANACS Director any details which may be necessary or proper.

AMERICAN NUMISMATIC ASSOCIATION

By \_\_\_\_\_



NUMISMATISTS  
AUCTIONEERS • APPRAISERS

*Stack's*

COINS • MEDALS • PAPER MONEY

123 WEST 57TH STREET • NEW YORK, N.Y. 10019 • TEL: 212/582-2580

September 19th, 1975

Mr. Erick P. Newman  
6450 Cecil Avenue  
St. Louis, Missouri 63100

Dear Eric:

Thanks for your letter of September 2nd, 1975.

F.T.C. is at work now for we have a gold sample improperly marked "COPY". It is so small that it is almost undetectable. Also these are being made in Lebanon. We are trying with U.S. Customs on this point also. They are not marked country of manufacture directly on the coin. Only on a paper envelope is country of origin marked. Micro size at that!

Could you review the current legislation and regulations of the Hobby Protection Act and suggest some ammendments and changes that we could propose to F.T.C. and/or Congress to tighten up loop holes? Do you have an idea of a draft legislation to protect patterns as "Coins of the U.S." and subject violators to the counterfeit laws? Your legal help would be appreciated.

With best regards, I remain

Sincerely yours,

STACK'S

Harvey G. Stack

HGS/ir  
CC.Margo Russell  
Richard Dusterberg



ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis 5, Missouri

September 24, 1975

Mr. Harvey G. Stack  
Stack's  
123 West 57th Street  
New York, NY 10019

Dear Harvey:

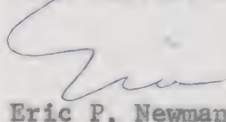
Thank you for your September 19, 1975 letter asking for suggestions for the FTC. I believe I mentioned in my last letter that if the FTC or your committee as a whole asked me for assistance I would try to be of help.

There are certain simple procedures that will eliminate most of the problems and I tried to suggest that in the past. The copy of a numismatic item could be required to be at least 10% larger or smaller in size than the original with respect to all linear dimensions. It should also have the word COPY stamped on both faces. Every item so made should be filed with the FTC giving the name of the manufacturer, the date of manufacture and other detail before it could be put into commerce. These are rules which the FTC could pass and you would have no further problem.

I suggested all of these in the past in my letters of January 31, 1974 and August 14, 1974. It is not too late to have new regulations adopted if there is going to be any serious attempt to discourage the making of imitations.

I am sending a copy of this letter to those to whom you sent a copy.

With kindest regards,



Eric P. Newman

EPN:jah  
Encl.

cc: Mrs. Margo Russell  
Mr. Richard Dusterberg

# Bowers & Ruddy Galleries, Inc.

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6922 Hollywood Blvd., Suite 600, Los Angeles, California 90028  
Telephone: (213) 466-4595, or toll free outside California (800) 421-4224  
Telex: 69-1555 Photograde LSA



August 29, 1978

Mr. Eric P. Newman  
6450 Cecil Avenue  
St. Louis, MO 63105

Dear Eric,

Just before going to the ANA Convention I received a memo about your telephone call. I gave your resolution to Virgil Hancock who mentioned it at the ANA Board meeting. It was agreed that it was a good idea but that precise wording should be adopted - specifically to exclude recognized struck copies of certain coins (such as American colonials) which are collectors' items in their own right, but to include modern copies of older things. So, if you can come up with wording in this regard I would be happy to reintroduce it through Virgil. The mechanism is set up.

It would be good to put in the word "knowingly" with regard to someone who sells these - for if someone sells a fake without knowing it then this would be an extenuating circumstance.

The ANA convention attracted about 8,000 people totally - down from 14,000 the year before and 22,000 the year before that. Even so, the central core of active people seemed to have been there, and virtually everyone I spoke to had a good time. The conventions get rather long, so by the seventh day many people were tired. I think it would be a good idea to consolidate the ANA shows to a lesser amount of time like they used to be - three or four days. Now with PNG Day included as the first day, the show began on Sunday morning and did not end until Saturday night.

I hope that you are coming along nicely with your recovery. I missed seeing you. I did not have a chance to attend the Rittenhouse Society breakfast meeting on Friday morning for I had to direct a PNG membership meeting (I am president of the PNG) held at the same time. However, Christie went and had a really nice time. Bob Julian has been inducted as a new member.

At the Numismatic Literary Guild Educational Symposium held on Saturday morning there were three speakers: Margo Russell, Ken Bressett, and John Ford. Ken began his talk with a paragraph which went something like this:

"There are many problems confronting the coin hobby today. There is rampant overgrading. Many people are calling themselves dealers when they have no knowledge. Mints are producing all sorts of novelties especially for collectors, things that are really not coins. Prices are ridiculously high."

*Your Friends in the Rare Coin Business  
Established 1953*

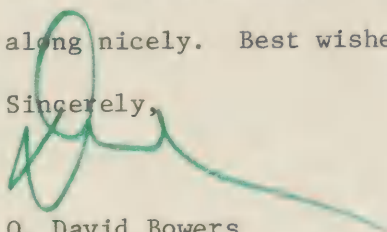
Mr. Eric P. Newman  
August 29, 1978  
Page Two

And then Ken went on to say that he was quoting from something written in 1874! Ken is concerned, as we all are, that there be a good "grass roots" of collecting interest and that not all be directed toward the financial aspects of coins. While investing in coins is fine and certainly has been beneficial to almost every collector, it is important to increase numismatic interest so that a generation of true numismatists is developed.

I don't know whether I mentioned it or not, but following the visit to your home after the Central States Convention both Margo Russell and Virginia Culver wrote to me to ask for more information about Wooton desks! I referred both of them to the Smithsonian Institution and the excellent pamphlet they issue.

Again, I hope your recovery is coming along nicely. Best wishes to Evelyn.

Sincerely,



Q. David Bowers

QDB/mbj

# Bowers & Ruddy Galleries, Inc.

6922 Hollywood Blvd., Suite 600, Los Angeles, California 90028  
Telephone: (213) 466-4595, or toll free outside California (800) 421-4224  
Telex: 69-1555 Photograde LSA



September 11, 1978

Mr. Virgil Hancock  
Box 936  
Bellaire, TX 77401

Dear Virgil,

Further on the matter of the resolution proposed by Eric Newman and given by me to you at the ANA convention I am enclosing a draft sent to me recently by Eric. Can you look it over and let Eric know what you think of it?

I join Eric in urging that the ANA adopt the proposal in its present form or with suitable revisions.

Best wishes,

Q. David Bowers

QDB/mbj  
Enclosure  
cc: Eric P. Newman



# AMERICAN NUMISMATIC ASSOCIATION

Chartered by Congress

VIRGIL HANCOCK  
GOVERNOR AND IMMEDIATE PAST PRESIDENT  
BOX 936, BELLAIRE, TEXAS 77401

September 15, '78

Good Afternoon, Eric -

1. Leo Young (Oakland) is in Nevada, to return Monday, the 18th, and I shall 'phone him then, to learn the name of the Oakland machine shop counterfeiter of those USA cents, later the American colonials.

As I recall, about 15 minutes after the joker's probation year ended he was in NYC area selling counterfeit colonials . . . but I do't recall the source of that info.

2. If you have in hand one of the fake colonials, and if you'd entrust it to the tender mercies of the US Mails, I'd be grateful for the chance to looksee the piece, and get it right back to you, Eric.

As I told you, I've held in hand a piece "struck" or "pressed" from ~~a~~ die-cast steel die. Lovely surface, but not quite a proof.

3. Oh, yes, Dave Bowers should know the name of the Oakland counterfeiter, since it was Dave, as I recall, nor Markoff, who spotted the scarce US cents as being counterfeits. The joker wanted some \$100,000 . . . maybe more . . . for the entire lot.
4. You'll see the red-outlined paragraphs of ANA's by-laws and code of ethics . . . its pages 2054 and 2060 . . . on the enclosure.
5. And, again, Eric, I urge you to put the story on paper and shoot it down to Neil Harris, Ye Ed of THE NUMISMATIST.

'Twas good visiting with you again, even though so briefly via Alex G. Bell's wonderful invention. Keep well, and don't run for any streetcar quite yet!

Sincerely,

s

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis 5, Missouri

September 20, 1978

Mr. Q. David Bowers  
Bowers and Ruddy Galleries  
6922 Hollywood Blvd.  
Los Angeles, CA 90028

Dear Dave:

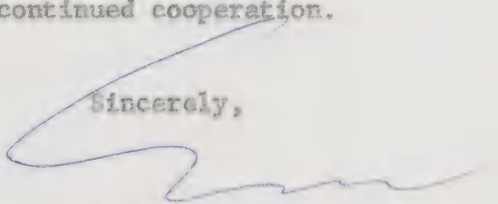
As you may know, Tom's Coins advertised on page 49 of Coin World of September 20, 1978, a Washington Born in Virginia with two dents. This sounds very much like another one of the bad ones. Picker is probably going to receive the coin, although Bill Anton asked to have it sent to me. I am writing Picker to ask Tom for its prior owners.

I have located the Code of Ethics of TAMS which is on pages 24-27 of the TAMS Journal of January, 1963, and am enclosing a copy for your file. I will rework and modernize this to add to the ANA Code which is on page 2054 of the Numismatist for October, 1977, and which is completely inadequate.

While looking through my TAMS Journal I saw your article on A Tune For a Nickel which brought back memories of our pleasant evening together.

Thank you for your continued cooperation.

Sincerely,



Eric P. Newman

jah

Encls.

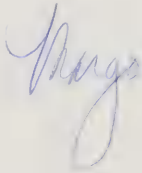
From the desk of

# Margo Russell

June 1, 1983

Eric, sorry about the inferior copies--  
our corporate machine is getting a new  
drum. Also, my secretary has the flu. . .

Best,



# FTC news

Federal Trade Commission Washington, D.C. 20580

---

FOR IMMEDIATE RELEASE: May 18, 1983

## FTC SEEKS COMMENTS ON CHANGING HOBBY PROTECTION RULES

The Federal Trade Commission is seeking comments on whether to amend its Hobby Protection Act rules. The proposal would change the requirements for marking imitation coins "COPY."

Under the current FTC rules, imitation coins and other numismatic items must be marked "COPY." The word must be at least two by six millimeters in size. The proposed change would allow manufacturers the option of marking their items with the word "COPY" one-half the diameter of the coin in length and one-sixth the diameter in height.

According to a Federal Register notice announcing the request for comments, the Commission is proposing the change because there are now many miniature coins on the market. Some of these coins are "almost as small or smaller in diameter" than six millimeters, the size of the word "COPY" that must now appear on them. "Although marking miniature imitations with the word 'COPY' is important for protecting the public from deception, the current rule may work an undue hardship on manufacturers of miniature reproductions," according to the Federal Register notice. Under the existing rules, manufacturers must request a special exemption before marking their imitation coins with the word "COPY" smaller than six millimeters.

The FTC enforces these rules under the 1973 Hobby Protection Act, which requires all manufacturers and importers of imitation numismatic and political items to "plainly and permanently" mark these items with the word "COPY." Congress passed the act in 1973 "because of the large number of collectors of coins and political items who were being deceived through the purchase of replicas that purported to be authentic," according to the Federal Register notice.

The notice is scheduled to appear in the Federal Register May 23. Public comment will be accepted for 60 days, until July 22. Comments, captioned "Proposed Amendment to Hobby Protection Act," should be addressed to Office of the Secretary, Federal Trade Commission, 6th Street and Pennsylvania Avenue N.W., Washington, D.C. 20580.

(More)

Copies of the Federal Register notice are available from the FTC's Public Reference Branch, Room 130, same address; 202-523-3598; TTY 202-523-3638.

Press copies are available from the Office of Public Affairs, Room 496, same address; 202-523-1892.

# # #

MEDIA CONTACT: Susan Ticknor, Office of Public Affairs,  
202-523-1892

STAFF CONTACT: Earl Johnson, Bureau of Consumer Protection,  
202-376-2891

(HOBBY)

[Billing Code: 6750-01)

FEDERAL TRADE COMMISSION

16 CFR Part 304

RULES AND REGULATIONS UNDER THE  
HOBBY PROTECTION ACT

AGENCY: Federal Trade Commission

ACTION: Proposed amendment and notice of opportunity to comment.

SUMMARY: The Federal Trade Commission, pursuant to the Hobby Protection Act (15 U.S.C. 2101, et seq.) has initiated a proceeding proposing an amendment to § 304.6 of the Rules and Regulations Under the Hobby Protection Act (16 CFR Part 304). The rule presently requires that the word "COPY" be marked on all imitation numismatic items in dimensions no less than 2 millimeters high and 6 millimeters wide. The amendment would permit use of a smaller marking on the many coins that are now being issued as miniature imitations.

All interested persons are hereby given notice of the opportunity to submit written data, views and arguments concerning this proposal.

DATES: Written comments will be accepted on or before

ADDRESS: Send comments to Secretary, Federal Trade Commission, 6th and Pennsylvania Avenue, N.W., Washington, D.C. 20580. Submissions should be marked "Hobby Protection Act-Amendment".

FOR FURTHER INFORMATION CONTACT: Dean Hansell, Attorney, Federal Trade Commission, 11000 Wilshire Blvd, Los Angeles, CA 90024.  
(213) 209-7575.

*He is a numismatist, Eric  
FTC threatens constantly to  
shut down his L.A. office —*

LIST OF SUBJECTS IN 16 CFR PART 304: Federal Trade Commission, Hobbies, Labeling and Trade Practices.

SUPPLEMENTARY INFORMATION: The Hobby Protection Act requires that all imitation numismatic items sold in or imported into the United States shall be marked with the word "COPY" in a manner to be determined by the Federal Trade Commission. In 1975 the Commission promulgated rules requiring the word "COPY" to be marked on either the obverse or the reverse surface of the item. The words must have a vertical dimension of not less than two millimeters and a horizontal dimension of not less than six millimeters. The concept of requiring the word "COPY" to be a minimum size rather than to vary with the size of the coin or words on a coin was selected to minimize compliance burdens and enforcement problems.

Since promulgation of the rules, miniature imitation numismatic items have become popular in the market. Marking some of these miniature imitations has posed a hardship since many are as small or smaller than the minimum size required for the word "COPY". When an item covered by the rules is of such a small size that it is impossible to conform with the minimum size requirement, the manufacturer must request the Commission to issue a variance.

The proposed amendment to the rule would permit manufacturers of miniature numismatic items to mark the word "COPY" in smaller dimensions than those required under the present rule. For example, under the proposed amendment, a coin with a diameter of only six millimeters could have the word "COPY" in a horizontal dimension of

no less than one-half the coin's diameter or three millimeters. The vertical dimension would be required to be no less than one-sixth of the diameter or one millimeter.

Because of the apparent increasing popularity of miniature imitation numismatic items, the amendment is considered appropriate to eliminate the necessity for individual variance applications.

Accordingly, it is proposed that Chapter I of 16 CFR Part 304 be amended by revising §§ 304.1 and 304.6 to read as follows:

Authority: 15 U.S.C. 2101 et seq.

1. In § 304.1, paragraph (k) is added as follows:

§ 304.1 Terms defined.

\* \* \* \* \*

(k) "Diameter" of a reproduction means the length of the longest possible straight line connecting two points on the perimeter of the reproduction.

2. In § 304.6, paragraphs (b)(3) and (b)(4) are revised to read as follows:

§ 304.6 Marking requirements for imitation numismatic items.

\* \* \* \* \*

(b) \* \* \*

(3) An imitation numismatic item of incusable material shall be incused with the word "COPY" in sans-serif letters having a vertical dimension of not less than two millimeters (2.0 mm) or not less than one-sixth of the diameter of the reproduction, and a minimum depth of three-tenths of one millimeter (0.3 mm)

or to one-half (1/2) the thickness of the reproduction, whichever is the lesser. The minimum total horizontal dimension of the word "COPY" shall be six millimeters (6.0 mm) or not less than one-half of the diameter of the reproduction.

(4) An imitation numismatic item composed of nonincusable material shall be imprinted with the word "COPY" in sans-serif letters having a vertical dimension of not less than two millimeters (2.0 mm) or not less than one-sixth of the diameter of the reproduction. The minimum total horizontal dimension of the word "COPY" shall be six millimeters (6.0 mm) or not less than one-half of the diameter of the reproduction. By direction of the Commission.

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# Federal Bar Journal

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**Volume 35**  
**Winter 1976**



**Number 1**

## THE HOBBY PROTECTION ACT

By Justin Dingfelder\*

THE FEDERAL TRADE Commission, through its enabling statute, the Federal Trade Commission Act (15 U.S.C. §41 *et seq.*), was empowered by Congress to prevent, *inter alia*, unfair or deceptive acts or practices in commerce. As a result of complaints by persons who had been deceived by unscrupulous dealers, it was brought to the attention of Congress that perhaps the Federal Trade Commission (FTC) needed additional power to protect the public interest in the area of political and numismatic collectors' items. Accordingly, on November 29, 1973, the Hobby Protection Act<sup>1</sup> was signed into law.

In order to provide a comprehensive understanding of the Hobby Protection Act and its value to the American public, this article will focus on (1) the legislative history of the Act, (2) the specific language of the Act, (3) the regulations and how they were developed, (4) FTC enforcement of the Act, (5) FTC staff interpretations, and (6) future administration of the Act.

### LEGISLATIVE HISTORY

Early in the 93rd Congress, legislation requiring the marking of political and numismatic items was introduced.<sup>2</sup> The Subcommittee on Commerce and Finance of the House Committee on Interstate and Foreign Commerce held hearings on these legislative proposals on February 28, 1973.<sup>3</sup> Every witness who testified with respect to the bills supported their enactment. Testimony at the hearings revealed that there are over three million persons in the United States who collect numismatic or political items. Of this number, approximately 150,000 are sophisticated, experienced collectors capable of readily identifying replicas, while the majority of collectors have a casual interest in numismatics and related items and are unable to discern an original from an expertly reproduced copy. It was also learned that most imitation numismatic items are produced in Europe, the Near East, and Southeast Asia. Certain of these have been fraudulently sold as originals for thousands of dollars each. For example, a coin dealer in Malaysia has shipped over 40,000 coins into the United States in the last several years.<sup>4</sup> Examination of the shipments failed to reveal any original numismatic item *i.e.*, entire

\*Deputy Assistant Director, Bureau of Consumer Protection, Federal Trade Commission.

This article represents only the views of a member of the Federal Trade Commission's staff. It is not intended to be, and should not be, construed as representative of an official Commission policy. The article is based on an address given by the author at the American Numismatic Association's 84th Anniversary Convention, Los Angeles, California.

<sup>1</sup>Pub. L. No. 93-467, 87 Stat. 666, 15 U.S.C. §2101 *et seq.* Approved (November 29, 1973).

<sup>2</sup>H.R. 3668, H.R. 4551, and H.R. 3678 93d Congress bills.

<sup>3</sup>See "Hearings on H.R. 4678, H.R. 3668, H.R. 3747 and H.R. 4551 Before the Subcomm. on Commerce and Finance of the House Comm. on Interstate and Foreign Commerce," 93d Cong., 1st Sess. ser. 3 (1973).

<sup>4</sup>See S. REP. NO. 245, 93d Cong., 1st Sess. at 3 (1973).

shipments consisted of imitation coins which were not marked as being replicas. These coins are excellent replicas, and only an expert could distinguish them from the genuine originals. Thus, the people most often deceived and disillusioned are the inexperienced persons just starting their hobby.<sup>5</sup> Furthermore, these unmarked replicas of genuine numismatic items threaten the historical and monetary value of the original pieces.

H.R. 5777 was introduced after the hearings and included technical improvements and minor changes from the introductory legislation. It passed the House of Representatives on May 16, 1973, by a vote of 382 to 7.<sup>6</sup> The Senate's Hobby Protection Legislation,<sup>7</sup> S. 1880, was favorably reported by the Senate Committee on Commerce on July 25, 1973.<sup>8</sup> As reported, it was identical to H.R. 5777. Subsequently, beef price freeze and petroleum allocation amendments were attached to the bill.<sup>9</sup> On August 2, 1973, H.R. 5777, as amended, passed the Senate in lieu of S. 1880, by a vote of 87 to 0.<sup>10</sup> On November 16, 1973, the Senate withdrew its amendments to H.R. 5777, thus clearing the measure for submission to the President.<sup>11</sup> On November 29, 1973, the Hobby Protection Act was signed into law by the President.

#### SUMMARY OF THE ACT

##### Under the Act—

(a) Any imitation political item manufactured in, or imported into the United States for purposes of introduction into or distribution in commerce must be plainly and permanently marked with the calendar year of its manufacture, and

(b) Any imitation numismatic item manufactured in or imported into the United States for such purposes as stated above, must be marked "COPY". Failure to mark these items as prescribed is unlawful and is deemed an unfair or deceptive act or practice in commerce under the Federal Trade Commission Act (Section 2).

For purposes of the Act an "imitation political item" is any item which purports to be, but in fact is not, an original political button, poster, sticker, political literature or an advertisement produced to further any political cause (Section 7(1) and (2)). An "imitation numismatic item" is defined as any item which purports to be, but in fact is not, an original coin, token, paper money or commemorative medal which was part of a coinage or issue used in commercial exchange or to commemorate a person or event, or which is a reproduction, copy or counterfeit of an original numismatic item (Section 7(3) and (4)). The Act provides that the Federal Trade Commission shall pro-

<sup>5</sup>Technically, the field is regarded as a science-hobby industry. Entire civilizations and historic events are reconstructed by the study of coins and related numismatic items. The Smithsonian Institution's Museum of History and Technology has a Division of Numismatics.

<sup>6</sup>119 Cong. Rec. H 3699 (daily ed. May 16, 1973).

<sup>7</sup>S. 1880, 93d Cong., 1st Sess.

<sup>8</sup>See S. REP. NO. 315, 93d Cong., 1st Sess. (1973).

<sup>9</sup>119 Cong. Rec. S 1494 (daily ed. July 31, 1973). See also 119 Cong. Rec. S 1471 (daily ed. Aug. 1, 1973).

<sup>10</sup>119 Cong. Rec. S 1534 (daily ed. August 1, 1973).

<sup>11</sup>119 Cong. Rec. S 29692 (daily ed. Nov. 16, 1973).

mulgate regulations for determining the manner and form in which imitation political and numismatic items shall be permanently marked (Section 2(c)).

Common carriers, contract carriers and freight forwarders are not liable under the provisions of the Act or the regulations promulgated by the Federal Trade Commission thereunder with respect to imitation political or numismatic items received, shipped, delivered or handled for shipment in the ordinary course of business (Section 2(d)). Section 2(d) is not consistent with the present language of the Act. Apparently, Section 2(d) remains from the time when the terms "sale and distribution" were included in the House draft Hobby Protection Bill.

Provisions for private and Federal Trade Commission enforcement are contained in the Act (Sections 3 and 4). Under these provisions, any interested person may bring a civil action in a United States District Court to enjoin a violation and to obtain damages. In such an action, the court may award the cost of the suit, including reasonable attorney's fees, as part of the judgment. To date, the Commission is not aware that any such action has been brought.

With regard to enforcement by the Federal Trade Commission, the Act specifically provides that all powers (subpoena, cease and desist, penalty, rulemaking, injunction, etc.) given the Commission pursuant to the Federal Trade Commission Act are available for enforcement of the Hobby Protection Act. Any item imported into the United States in violation of the Act or of the regulations promulgated thereunder is subject to seizure and forfeiture under the customs laws (Section 5).

The Act makes clear that its provisions are in addition to, and not in substitution for or limitation of, the provisions of any other Federal or State law (Section 6).

By its terms, the Act is prospective in application and applies only to imitation political and numismatic items manufactured or imported after the date of its enactment (Section 8).

#### THE REGULATIONS

On July 19, 1974, the Commission published in the *Federal Register* a notice of proposed regulations to implement the Hobby Protection Act.<sup>12</sup> The notice contained an allowance of sixty days for submission of written comments by interested persons. The proposed regulations, which reflected correspondence and consultation with representative consumer, industry and government authorities, consisted of five parts.

The first part defined relevant terms used in the regulations.

The second part contained the general requirement that imitation political and numismatic items be marked in conformity with the provisions of the Act and the regulations promulgated thereunder.

<sup>12</sup>39 Fed. Reg. 26219

The third part provided that the Act and its regulations are applicable to persons engaged in the manufacturing of or the importation into the United States of imitation political or imitation numismatic items.<sup>13</sup>

The fourth part contained the marking requirements for political items. It detailed the manner and form in which the calendar year of manufacture shall be plainly and permanently marked on an item. For example, it required that the calendar year consist of four digits, *e.g.*, 1976, in order to avoid the use of an abbreviated marking which would not provide information as to the century of manufacture.

The fifth part prescribed the manner and form in which the word "COPY"<sup>14</sup> should be displayed upon an imitation numismatic item. Minimum dimensions [length (2.0 mm), depth (0.3 mm or 1/2 the thickness, whichever is the lesser) and width (6.0 mm)] were specified in the proposed regulations.<sup>15</sup> It was hoped that by defining minimum size as well as requiring that the word "COPY" be marked upon the item legibly, conspicuously and nondeceptively, the regulations would prevent unscrupulous marketers from camouflaging the word "COPY". For practical reasons (ease of administration, less burden to industry) marking requirements which would vary with the size of the item were not proposed.

In response to the Commission's request for comments on the proposed regulations as published in the *Federal Register*, sixty-seven (67) comments were received. Fifty-four (54) of the comments objected to the proposal that the term "imitation numismatic item" not include any re-issue or re-strike of any original items by the United States Mint. This provision had been added at the request of the Department of the Treasury to accommodate both the re-issuance of Revolutionary-War-era medals for the Bicentennial and the "Metals of the United States Mint" programs. The exemption was based upon the fact that nothing in the Hobby Protection Act or its legislative history suggested that the Congress intended to subject the United States Mint to the marking requirements. In fact, the language of the Act makes it clear that governmental operations are outside the Act's purview. The general statutory definition of "person" subject to the Act (as contained in Sections 3 and 4 of the Act) in 1 U.S.C. §1, does not include the United States Government or its agencies.<sup>16</sup>

Several other proposed changes were adopted. The term "United States"

<sup>13</sup>It should be noted that the act of selling or distributing noncomplying imitation political or imitation numismatic items is not a violation of the Act.

<sup>14</sup>Besides the English language, "COPY" is understood in French, German, Italian, Portuguese and Spanish.

<sup>15</sup>The International (Metric) System was used because it is more precise than the U.S. Customary System. Every industrial nation except the United States has either officially adopted or committed itself to use the metric system. American Industry is rapidly increasing its use of the metric system. See "What is Metric?" GPO Stock Number 0303-01191 (1973).

<sup>16</sup>Further, a requirement that re-issued or re-struck United States Mint medals be incused with the word "COPY" would impose a limitation on the Treasury's general authority to strike national medals (31 U.S.C. §368), which would be inconsistent with Section 6 of the Hobby Protection Act which provides that the provisions of the Statute are in addition to, and not in substitution for or in limitation of, any other Law of the United States.

was redefined.<sup>17</sup> Section 6 of the Act was incorporated into the regulations.<sup>18</sup> And, the marking requirements were amended to provide that the word "COPY" could be marked only on the obverse or reverse surface of the item.<sup>19</sup>

On February 6, 1975, the Commission published in the *Federal Register* its final regulations specifying the manner and form in which imitation political and numismatic items must be permanently marked.<sup>20</sup> The final regulations consisted of six parts. The regulations became effective March 10, 1975.

#### ENFORCEMENT

The Commission's first enforcement action under the Hobby Protection Act occurred on October 23, 1974 when the Commission accepted, by unanimous vote, an agreement containing a Consent Order prohibiting a corporation from marketing imitation numismatic items that were not plainly and permanently marked "COPY".<sup>21</sup>

The Complaint that led to the Consent Order charged that after the effective date of the Act (November 29, 1973), the firm manufactured and distributed unmarked reproductions of two privately minted U.S. territorial coins—an 1854 Liberty Head Twenty Dollar Gold Piece and an 1855 Liberty Head Fifty Dollar Gold Piece. Under the terms of the Consent Order, the company agreed that all such coins must be plainly and permanently marked "COPY" to eliminate possible confusion with genuine coins.<sup>22</sup>

In addition, the Commission conducted separate inquiries with approximately twelve other parties alleged to be in violation of the Act. Each of these inquiries resulted in a prompt voluntary correction of the alleged violation. Since the enforcement is being operated on a limited budget, this prompt voluntary correction of the alleged unfair and deceptive practice is clearly in the public interest.

<sup>17</sup>The definition of "United States" was redefined to conform to the definition contained in the Hobby Protection Act [15 U.S.C. §2106(7)] and the Tariff Act of 1930 [U.S.C. §1401 (h)] in order to avoid conflicts with the enforcement jurisdiction of the United States Customs Service under Section 5 of the Hobby Protection Act.

<sup>18</sup>It was suggested that the Commission make it clear that the regulations do not permit the otherwise unlawful reproduction of genuine currency simply because it is marked with the word "COPY". This suggestion prompted new §304.4 which incorporates Section 6 of the Hobby Protection Act and provides, in effect, that the regulations are in addition to and not in substitution for or limitation of the existing statutes and regulations prohibiting the reproduction of genuine currency.

<sup>19</sup>Such a requirement prevents any attempt to subvert the purpose of the regulations by marking the edge of the items which would be inconsistent with the requirement that the items be conspicuously marked.

<sup>20</sup>40 Fed. Reg. 5495.

<sup>21</sup>In the *Matter of Hattie Carriage Jewelry Enterprises, Ltd.* FTC Docket No. C-2625. The Complaint and Consent Order were placed on the public record from November 15, 1974 through January 13, 1975 for the receipt of public comments. On January 20, 1975, the Commission issued its Complaint and Final Decision and Order.

<sup>22</sup>The Commission's Rules of Practice and Procedure provide for two types of proceedings: formal and informal. A formal proceeding entails the issuance of a complaint by the Commission charging that it has reason to believe that certain acts and practices engaged in by respondent are violative of one of the laws it administers. Then follow hearings before an administrative law judge, upon the conclusion of which he issues an initial decision. The case can then be placed on the Commission's docket, either on its own motion or upon appeal by either party. The proceeding before the Commission is in the nature of an appeal but the Commission, pursuant to the FTC Act, may decide issues of fact in the same way as would a court of original jurisdiction, or it can rely on the initial decision of the administrative law judge.

Informal proceedings involve consent orders to cease and desist, assurances of voluntary compliance, and general rulemaking. In the case of consent orders, the respondent agrees to the entry of an order to cease and desist without admitting that a law has been violated and without the necessity of findings of fact by the Commission.

## STAFF INTERPRETATIONS

Any person, partnership, or corporation may request an interpretation from the Commission staff with respect to a course of action which the requesting party proposes to pursue. It is the Commission's policy to have its staff consider requests for such interpretations relative to the Hobby Protection Act and, where practicable, to inform the requesting party of the staff's interpretation. A request ordinarily will be considered inappropriate for such interpretation: (a) where the course of action is already being followed by the requesting party; (b) where the same or substantially the same course of action is under investigation or is or has been the subject of a current proceeding, order, or decree initiated or obtained by the Commission or another governmental agency; or (c) where the proposed course of action or its effects may be such that an informed decision thereon cannot be made or could be made only after extensive investigation, clinical study, testing, or collateral inquiry.

A request for staff interpretation should be submitted to the Division of Special Statutes, Federal Trade Commission, and should include full and complete information regarding the proposed course of action. Submittals of additional information may be required. On the basis of the facts submitted, together with any other information available to the Commission staff, the staff will, wherever practicable, inform the requesting party of its views and take such other action as may be appropriate.

Any interpretation given is without prejudice to the right of the staff or the Commission to reconsider the questions involved and, where the public interest requires, to rescind the interpretation.

Keeping the aforementioned caveats in mind, the following staff interpretations relative to numismatic items are presented, in order to present current staff analysis of the Act and the regulations promulgated thereunder.<sup>23</sup>

A. A lady's watch would not be considered an "imitation numismatic item" as that term is used in the Hobby Protection Act, and therefore need not be marked "COPY" where: (1) the front case of the watch will show an original decoration together with the Arabic numerals 1776 and 1976, (2) the reverse side of the front case will be blank, (3) the back case will show a lady's head with a wreath, 13 stars and the word "Liberty", (4) the reverse side of the back case will be blank, (5) the two casings will be "concave-convex" in form, (6) the casings will be manufactured in a base metal with a thin electro-plating of gold or platinum and (7) the design of this watch is an original creation, and no coin of this design was ever issued by the United States.

B. With regard to a request for an interpretation as to whether the manufacture in the United States for introduction or distribution in com-

<sup>23</sup>Generally, clearance from the U.S. Secret Service and, where appropriate, from the U.S. Customs Service should also be secured since staff response is limited to the applicability of the Hobby Protection Act to the issues raised. The applicability of any other law or regulation of the United States or of the law or regulation of any state is not covered in these staff interpretations.

merce of (1) copies of coins restruck by certain foreign governments, and (2) post-dated imitation numismatic items, would come within the purview of the Act, the staff advised: (1) Since pursuant to the Commission's regulations Government restrikes are regarded as genuine numismatic items, copies of such items would be regarded as imitation numismatic items and should be marked "COPY" in the manner and form detailed in the regulations and (2) the fact that an imitation numismatic coin is post-dated would not obviate the marking requirement, since the future date eventually becomes current, and then a past date.

C. The Commission staff has interpreted the marking requirements set forth in the regulations as applicable to the reproduction of United States pattern pieces. Staff reasoning is based on the fact that the Act provides that the term "original numismatic item" shall mean anything which has been a part of a coinage or issue used in exchange or used to commemorate a person or event. Such term includes coins, tokens, paper money and commemorative medals. Both the intent of the Act, namely, to protect consumers from purchasing actual copies sold as originals, and the fact that valuable consideration is exchanged for these pattern pieces, are included in the term "original numismatic item" as used in the Act.

#### FUTURE ADMINISTRATION OF THE ACT

Congress has expressed the desire that the Commission primarily monitor enforcement of the Act.<sup>24</sup> In light of this directive, the Commission staff contemplates the following future actions:

1. Coordinate efforts with those of the Department of the Treasury relative to enforcement of Section 5 of the Act (seizure and forfeiture under the customs laws).

2. Educate consumers and industries relative to the Act's provisions. In particular, all parties shall be apprised of Section 3 (on private enforcement) of the Act and encouraged to undertake private legal action.

3. Investigate consumer complaints as consistent with Congressional intent, and, if a law violation of significant economic impact is discovered, seek appropriate remedial action.

Common sense and the law dictate that a manufacturer or importer of imitation numismatic or political items identify these items as copies. Honest manufacturers and importers have nothing to fear from the Federal Trade Commission. But, when an alleged violation of the Act occurs, the Commission will take appropriate enforcement action either through its regional offices or its Washington Headquarters.

#### CONCLUSION

The Hobby Protection Act is significant in that it marks the first time that Congress has passed legislation designed to protect such a small, al-

<sup>24</sup>H. R. REP. NO. 156, 93d Cong. 1st Sess. 4 (1973).

though burgeoning, segment of the public as collectors of political and numismatic items. Its adoption could not have come at a better time. With the milestone year of 1976 now upon us, the American consumer will not only be assailed by hucksters attempting to cash in on the Bicentennial's commercialism by passing off imitations as original early American coins and medals, in addition to the increased market in imitation political items which will surely accompany the fever of a Presidential election year. Despite efforts to encourage private enforcement of the Act by consumers, the Federal Trade Commission will undoubtedly be beleaguered by requests from citizens that action be taken against suspected violators. Thus, it would appear that a little-known piece of legislation is likely to be the focus of much attention in the near future.

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## Numismatics

# A Big 'Week' In April

By HERBERT C. BARDES

**A**N especially urgent call for action in support of National Coin Week, which this year begins on April 21, has been put out by the sponsoring American Numismatic Association. It is conducting a nationwide campaign to enlist the support of individual collectors, as well as local, state and regional clubs and associations on a greater-than-ever scale.

There are at least three reasons why this year's National Coin Week has special significance. First, it is the golden jubilee of this event (1924-1974). This promotional idea was conceived with, and is still dedicated to, a single purpose: to spread the good word about the numismatic hobby to non-collectors all over the country.

Second, the week has sometimes been less than a howling success. Since there is no sure way to measure the actual success of any given year's National Coin Week by its results (how many new collectors did it bring into the hobby?), the only yardstick is the enthusiasm and amount of participation by hobby members. This is where the phrase "less than a howling success" can be applied. The A.N.A. is determined to turn this around and give N.C.W. a rousing start into its second half-century.

Third, a bill has been introduced into the House of Representatives calling for a Presidential Proclamation that will officially and permanently designate the third week of April as National Coin Week.

There is actually a fourth reason why this year's N.C.W. is "special." A great deal of attention has been directed to the numismatic aspect of coins by the impending changes in the reverse design of the dollar, half-dollar and quarter, to commemorate the American Revolution Bicentennial. The judging to select winning designs for these three coins is now going on,

## Hobby Protection Act Spurs Action

The new Hobby Protection Act has reportedly not yet been invoked in a large-scale, organized way against manufacturers, importers or sellers of unmarked replicas of coins and medals. Possibly the hobby's major organizations are studying the provisions of the law to determine how it can best be implemented; hopefully, one or more groups are even now making quiet, behind-the-scenes preparations for an all-out drive to get rid of replicas that are not so marked and to force manufacturers to observe the law by placing the word "copy" in an ineradicable way (preferably incused) in a prominent area on the obverse or reverse of all replicas produced from now on. But while the big boys are checking out the situation, one individual collector has decided that the mere existence of the law is a base strong enough to support an attack. Last month Andrew Reiz of Kansas City, Mo., read a report that the Israel government was planning to reproduce quantities of rare ancient Jewish coins for sale to tourists. The report did not say whether or not the word "copy" would be made

part of the reproductions, so he reasoned that a friendly word of warning might nip this problem in the bud. The following is an excerpt from his letter to Moshe Kol, Israel's Minister of Tourism.

"I do not know if you are aware that we here in the United States have been plagued by coin counterfeiting, spurious coins and replica reproductions of modern and ancient coins. Things had gotten so bad, in fact, that Congress recently passed a law making it a punishable offense to duplicate any numismatic material unless it is identified as a replica or restrike. I was shocked to learn that your agency was going to distribute to tourists specially minted replicas of ancient Jewish coins. Unless these replicas are clearly so marked, it will be against the law for American tourists to bring them into the U.S.; not only that, but the coins will be subject to confiscation and anyone trying to bring them in will be subject to penalties. It would behoove you to look into this matter before you distribute any of this material, which all honest collectors in the U.S. look upon with disdain and horror."

stimulated by that contest should send a clear message to Washington that citizen interest in the non-monetary importance of coins is at an all-time high.

While not minimizing the vital role of collector-participation in N.C.W. activities in April, the A.N.A. is putting first things first and is thus concentrating its immediate attention on rallying massive Presidential support for the N.C.W. Proclamation. The legislation that calls for this executive action is in the form of Joint Resolutions in the House and Senate—H. J. Res. 737/863 and S. J. Res. 181.

Many hundreds and probably thousands of special-interest bills are introduced into Congress each year. The few that receive favorable action are invariably the ones that Congressmen and Senators hear about — loud and long — from their constituents. Support for a bill from its sponsors is taken for granted, but when the voters express interest, that bill suddenly acquires glamour.

So the A.N.A., as the hobby's national spokesman in this situation, is having a

strong, formal request for another flood-tide of "letters to your own Congressman and Senator" — letters written by individuals and group-signature letters from local clubs.

Anyone who doubts the efficacy of such citizen action need only recall a major hobby event a few months ago. An outpouring of support from voters (who also happened to be concerned collectors) forced a piece of legislation out of the House and Senate subcommittees where it had been languishing, pushed it to a vote and finally saw it enacted into law. That legislation was, of course, the long-needed anti-counterfeit law called the Hobby Protection Act.

The A.N.A. is also calling the numismatic fraternity's attention to the critical time element involved. By the standards of the slow-grinding Congressional legislation mill, April is just around the corner. So letters to elected representatives in the House and Senate (Washington 20510) in support of H. J. Res. 737/863 and S. J. Res. 181 should be sent promptly as well as in large numbers.

In another "advance-guard" action designed to build widespread interest in National Coin Week, the A.N.A. is conducting a contest to choose a slogan for this golden anniversary observance. The contest is open to all—members and non-members alike. The A.N.A.'s headquarters address (for submitting slogan entries or requesting further information) is P.O. Box 2366, Colorado Springs, Colo. 80901. The contest closes Feb. 15.

### SALE THIS WEEK

New York's major numismatic auction schedule for the new year gets under way this week. Stack's of 123 West 57th Street, N.Y. 10019, will offer more than 1,700 lots of United States, foreign and ancient Greek and Roman gold, silver and copper coins in a three-session sale in the New York Sheraton Hotel, Seventh Avenue at 56th Street, starting at 7 P.M. next Thursday, Jan. 31. The second session will begin at the same hour on Friday, and the final session will start at 1 P.M. on Saturday. The lots will be available for inspection all this week at the Stack's showroom.

# ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis 5, Missouri

January 31, 1974

Federal Trade Commission  
Bureau of Consumer Protection  
Washington, D. C. 20580

Gentlemen:

In your letter of January 25, 1974, you have asked for our suggestions as to rules to be adopted under the Hobby Protection Act.

The more stringent the rules, as we see it, the less likely reproductions will be produced. We presume marked copies for commercial purposes are intended to be discouraged by the legislation.

We suggest that two examples of each reproduction be filed with the Commission before being introduced into commerce, accompanied by a statement of the name and address of the manufacturer and distributor, place and date of manufacture.

It must first be determined what a reproduction is. If an item is of a different material, a different size, different design or text, then there must be a definition of the permitted variance. If it reproduces one side and not the other, is it a reproduction, etc., if its edge is different but not the faces.

You mention the location of a marking on the bottom center of the back. I would like to see the marking on each face as it may be mounted so the marking is unseen. It merely causes deception to show the unmarked side of a copy. As to the use of the work "incused", that would be applicable only to metallic objects. Paper money copies could not have anything incused on them.

The minimum size of "1974" or "COPY" should be specified so as not to leave "naked eye" arguments.

Publication of pictures of items for news or educational purposes should not be restricted.

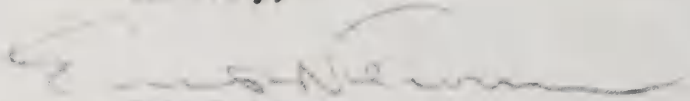
Many items could be said to have been manufactured before the act was passed when they were not. The date of manufacture can also be said to be unknown. The burden should be on the person putting unmarked pieces in commerce to prove a date of manufacture before the Act, particularly where the date of acquisition by the seller is after the Act was passed. This is very important if the law is to be of any force or effect.

Please call me, 314-621-7300, if you wish to discuss any of the above points. We would like to see a redraft of the rules before publication in the Federal Register as it is important to have them rather thorough in the beginning.

Federal Trade Commission  
January 31, 1974  
Page 2 - .

We hope we have been helpful.

Sincerely,

A handwritten signature in dark ink, appearing to read "Eric P. Newman", written over a horizontal line.

Eric P. Newman

EPN:jah

# Coin World

THE WEEKLY NEWSPAPER OF THE ENTIRE NUMISMATIC FIELD

SIDNEY NEWS BUILDING PH: 513 492-4141 SIDNEY, OHIO 45365

February 14, 1974

Mr. Sheldon Feldman  
Assistant Director for Special Statutes  
Federal Trade Commission  
Bureau of Consumer Protection  
Washington, D.C. 20580

Dear Mr. Feldman:

In response to your January 25 letter asking for Coin World opinion on proposed regulations to enforce the Hobby Protection Act:

We agree with Points 1, 2, 3 and 4, outlined in your letter.

We believe, however, the calendar year should be located on both the front and back of political items, with some leeway in positioning. Confining the date to bottom center could interfere with the aesthetics (if there is such a thing) or education factor of the reproduction. We are certain you have a copy of the recent American Political Items Collectors edict, but we are enclosing a copy anyway.

We go along with your points 1, 2, 3, 4 and 5 for numismatic items, but with certain specifics.

Point 6, in our opinion, again should provide for markings on both the front and back of the item with fluidity as to position. Coins and similar objects can be split and affixed to other items, creating a deceptive object.

We believe the word, copy, should appear on a portion of the plain field on the front and back of numismatic items. It should be legible, apparent to the naked eye, at least two millimeters in height, capital letters, preferably; incused to at least three-tenths of a millimeter, except in the case of extremely thin objects. These should carry the word, copy, to the depth of at least one-half actual thickness of the piece.

Page two.  
Mr. Sheldon Feldman  
Federal Trade Commission  
Washington, D.C. 20580  
February 14, 1974

Reason for the incuse depth of the markings is obvious-to defeat removal by skilled craftsmen with jeweler tools. Edge markings are not acceptable because of the ease of removal.

Non-metallic numismatic items, such as paper money, stock, mining certificates, checks, even fabric items such as notgeld from linen, silk and leather, should be marked with the word, copy, with the same stipulations as those for metal numismatic items.

Positioning of the word, copy, is important here-- it should be placed well within the body of the text of the item so it cannot be readily clipped off.

Our fear here is that the printing of the word, copy, can be erased (this is easily done even with our highly secure Federal Reserve notes by contrivers of pseudo paper money rarities.)

We do not believe embossing the word, copy, would be effective on paper items. This can be steamed and pressed away. Nor do we believe indelible ink is the answer.

We would like to propose that manufacturers of such deceptive items as the fake colonial note we are enclosing be required to use watermarked paper with the word, copy, as a watermark repeated at inch-and one-half intervals. We believe this would require an approximate one-time expenditure on the part of the producer of about \$500.

We would require burden of proof of the date of manufacture to be placed upon the seller of all reproductions.

We wonder about the variances to be permitted: For example, the Bureau of the Mint is planning to reproduce some of its Revolutionary war medallions in a different metal (pewter). Are these "imitation numismatic items" and would they require the "copy" designation?

If numismatic items are produced in different materials, but maintain devices of the original pieces, will these be termed "imitation"? What about uniface items, produced with fidelity of the original piece, candidates for assembling with another front or back, and thus a deceptive piece?

Would it be possible for you to require manufacturers of reproductions to submit proposed items in advance to your distinguished agency for clearance? The Treasury Department-Secret Service renders such a service on an informal basis to collectors and dealers who produce numismatic novelties involving U.S. Securities.

Page three.

Mr. Sheldon Feldman  
Federal Trade Commission  
Washington, D.C. 20580  
February 14, 1974

Must a civil suit be filed against alleged violators of the Hobby Protection Act before Federal Trade Commission action? Or will the Federal Trade Commission begin investigation and take action, if warranted, if a potential violation of the Hobby Protection Act is called to its attention? Exactly what procedures do collectors follow if they suspect the Hobby Protection Act is being violated? Would there be a penalty for the removal or attempted removal of a date or the word, "copy"?

We are certain you have anticipated the problem of distinguishing the pieces (numbering into the millions) manufactured before the effective date of the law from those produced subsequent to passage of Public Law 93-167.

We would recommend that you acquire a reference collection of such replicas now in existence, together with a set of the catalogs and literature distributed by many agencies, offering numismatic reproductions, many of them unaware of the damage such unmarked copies bring to our science-hobby-industry.

We would also suggest as a requirement that examples of items produced following enactment of the Hobby Protection Act be placed on file with your Commission.

Will you confiscate unmarked numismatic reproductions should they violate the Hobby Protection Act? We are enclosing a pertinent New York Times story which should be in your files.

Is it possible, to see the proposed regulations in their final draft, for one more look at them before they are published in the Federal Register?

Of course, as the numismatic press, we will be most anxious to publicize developments in the enforcement of the Act, but we understand we will need to await formal publication of rules and regulations in the Federal Register.

Perhaps for further clarification, somewhere along the line, there should be mention that reproduction of legal tender U.S. coins and paper money, cannot be devised in violation of 18 U.S. C. 481 and 489.

cc: Justin Dingfelder

Sincerely,

COIN WORLD

Margo Russell (Mrs. Marion)  
Editor

MR:dc

Enclosures: NYT article

APIC Revised Code 12/5/73  
18 Pence No. 8418

## \*\*\*\*\* NEWS BRIEFS &amp; INVESTMENT INSIGHTS \*\*\*\*\*

WALL STREET WEEK - In case you missed it, Gold/Silver Dollar specialist Jim Blanchard appeared on TV's Wall Street Week March 18th. Nothing earth-shattering transpired, other than Jim's 3-year forecast of \$50-\$75 Silver and \$1,500 Gold which mildly shocked the Wall Street crowd present. (We lean in the same direction as J.B., but feel that a major correction will follow.) Fortunately, Jim came across as extremely reasonable and logical as he gave his recommendation for the average investor to include 15%-30% worth of hard assets (including Silver Dollars) in his portfolio. Blanchard also pointed out that while the news media is playing down inflation in 1983, the increasing ratio of U.S. Debt to the Gross National Product has only one possible long-term effect: cheaper paper money. The German Mark and Swiss Franc were mentioned as likely gainers against the Dollar in the future.

\*\*\*\*\*

A FANTASTIC 1804 QUARTER which some observers have described as "an amazing Gem" has changed hands privately for \$125,000. We were shown the coin at last year's A.N.A. (the buyer had paid \$55,000 for it) and while the coin really isn't a true Gem, it was amazing. Here is a good example of a very rare coin being totally unavailable at Grey Sheet. Technically, I say the coin was MS-63. But what an MS-63! Full original mint luster, gorgeous blue and grey toning, I mean this is what an 1804 Quarter is supposed to look like but never does. The MS-63 Bid, by the way, is \$9,500, 65 Bid \$23,500, but try to find another coin like this. Most other 63's or 65's I've seen offered for sale look more like AU's, and probably are. NEW JERSEY STATE SENATOR (and F-T subscriber) C. LOUIS BASSANO has asked us to correct an inaccuracy in "The Empire Strikes Back" published in March. In this article, we stated that New Jersey's Governor Kean was planning to spend more of the voters' money on replacement furnishings for unwanted Empire furniture bought for \$146,000 for his mansion. "To the contrary," Bassano advises, "The furniture was paid for by The New Jersey Historical Society. Private donations will complete the funding. It is important to recognize that the choices have not been made at public expense." Our apologies.

\*\*\*\*\*

SUIT-COUNTERSUIT! While it will probably be settled before you read this, a very silly lawsuit was covered in Page 1 stories in Coin World. First, Stack's Rare Coins of New York filed a \$70 Million suit against corporate officers Dana Linett and Keith Kelman of "The San Diego Show" last Dec. 13. Then The San Diego Show filed a \$400 Million suit against Stack's on March 11. The problem started when the California operation decided to name its pre-A.N.A. auction "Auction '83," a service mark of Stack's and its affiliates, who have also held a pre-A.N.A. auction for the past few years and who accused the newcomers of trying to capitalize on its good name and reputation. Needless to say, the \$70 to \$400 Million in damages are merely figments of someone's imagination, and it appears that the name has been changed. We just want to comment that both pre-A.N.A. auctions are, in our opinion, legal but unethical attempts to make money off the good name and reputation of the American Numismatic Association. Were such big names as Stack's not involved, the A.N.A. surely would have at least written a letter of protest, since it has always been its policy to discourage any kind of competition with the show. Also, the auction firm that handles the official A.N.A. Auction (this year Kagin's) pays approximately \$250,000 for its auction rights, while those who hold non-official auctions pay the A.N.A. nothing.

GROVER CRISWELL'S SOUVENIR CARDS - In February, 1983 the American Numismatic Association offered A.N.A. members in Florida what was believed to be left-over "Official" souvenir cards of the 1982 F.U.N. Convention. As it turns out, these cards were never endorsed by the Florida United Numismatists organization but were arranged for exclusively by Grover Criswell (FUN's current Treasurer), who still owes the American Banknote Company \$12,000 as listed in his bankruptcy papers. In his letter to me dated March 11th, A.N.A. Executive Vice President Ed Rochette advised that the A.N.A. does not plan to continue to assist Criswell in disposing of his cards, which happen to be beautiful two-color engravings featuring a private Florida \$10 banknote of the 1850's. At \$5 apiece, the cards are not overpriced, but if you should want to buy one, just remember that it is a very special commemorative. Also, I'm sure Grover would quote you a very good price in lots of 1,000. They cost him about \$1.25 each.

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

June 26, 1983

Office of the Secretary  
Federal Trade Commission  
6th St. and Pennsylvania Ave., N.W.  
Washington, D. C. 20580

Re: Proposed Amendment to  
Hobby Protection Act

Dear Sir:

I believe that another change should be made to the Hobby Protection Act in addition to the reduction in size of the imprint of the word COPY. This letter is prompted by your May 18, 1983 request for comment.

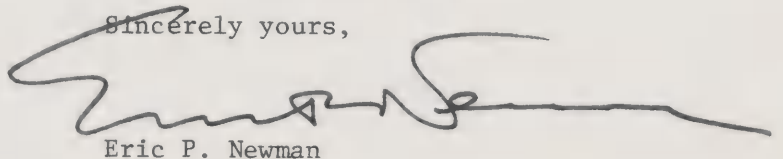
My suggestion is that the word COPY should be on both sides or faces of any item reproduced in substantially the same size as the original so that when an item is shown or exhibited and the word COPY is not on the side or face shown or exhibited a member of the public cannot be deceived. This is particularly true of paper items where the back can be concealed, covered or tampered with.

I made some similar suggestions to you on January 31, 1974, and a copy of that letter is enclosed. I now believe more firmly than ever that a great injustice is being done by not requiring the marking of both sides of an item which is substantially the same size as the original. No deception can result where a miniature or an oversize item is involved and, therefore, both sides do not need to be marked in these situations. However, when the copy is substantially the same size as the original, then the chance of deception should be removed. I use the word substantially as meaning a 10% or less difference in measurement from the original, but you could redefine that if the idea is generally acceptable.

I also feel this will discourage reproductions of the same size as originals as this is strongly objected to by many already.

I have been an author, researcher, collector and museum operator in numismatics for over 50 years on a non-commercial basis and have operated this Society for 25 years. I will be glad to answer any questions you may have. My telephone is 314-444-6525 (314-727-0850 residence).

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'Eric P. Newman', with a long, sweeping horizontal line extending to the right.

Eric P. Newman

jah  
Encl.

# ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis 5, Missouri

January 31, 1974

Federal Trade Commission  
Bureau of Consumer Protection  
Washington, D. C. 20580

Gentlemen:

In your letter of January 25, 1974, you have asked for our suggestions as to rules to be adopted under the Hobby Protection Act.

The more stringent the rules, as we see it, the less likely reproductions will be produced. We presume marked copies for commercial purposes are intended to be discouraged by the legislation.

We suggest that two examples of each reproduction be filed with the Commission before being introduced into commerce, accompanied by a statement of the name and address of the manufacturer and distributor, place and date of manufacture.

It must first be determined what a reproduction is. If an item is of a different material, a different size, different design or text, then there must be a definition of the permitted variance. If it reproduces one side and not the other, is it a reproduction, etc., if its edge is different but not the faces.

You mention the location of a marking on the bottom center of the back. I would like to see the marking on each face as it may be mounted so the marking is unseen. It merely causes deception to show the unmarked side of a copy. As to the use of the word "incused", that would be applicable only to metallic objects. Paper money copies could not have anything incused on them.

The minimum size of "1974" or "COPY" should be specified so as not to leave "naked eye" arguments.

Publication of pictures of items for news or educational purposes should not be restricted.

Many items could be said to have been manufactured before the act was passed when they were not. The date of manufacture can also be said to be unknown. The burden should be on the person putting unmarked pieces in commerce to prove a date of manufacture before the Act, particularly where the date of acquisition by the seller is after the Act was passed. This is very important if the law is to be of any force or effect.

Please call me, 314-621-7300, if you wish to discuss any of the above points. We would like to see a redraft of the rules before publication in the Federal Register as it is important to have them rather thorough in the beginning.

Federal Trade Commission  
January 31, 1974  
Page 2 -

We hope we have been helpful.

Sincerely,



Eric P. Newman

EPN:jah

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

Mr. Neil Blickman  
Bureau of Consumer Protection, FTC  
600 Pennsylvania Ave NW  
Washington, DC 20580

March 3, 2003

Re: Hobby Protection Act

Dear Sir:

I hope you have a sense of humor along with your duties in connection with receiving suggestions as to the Hobby Protection Act.

We enclose a copy of my article on the Fake Money Club of America which was published in The Numismatist for November 2002. This article contains some related matters.

We do not plan to send comments as to the Hobby Protection Act unless you request opinions from us as to specific matters. We submitted comments in connection with the 1973 proposed passage of the Act and those were not even considered because no attention was paid to ideas which were not submitted by at least 10 people and not just by one person.

If you do not get a laugh out of the enclosure I can understand.

Sincerely,

A handwritten signature in dark ink, appearing to be 'E. Newman', with a long, sweeping horizontal stroke extending to the right.

Eric P. Newman  
President



NUMISMATISTS  
AUCTIONEERS • APPRAISERS



COINS • MEDALS • PAPER MONEY

123 WEST 57TH STREET • NEW YORK, NY 10019-2280

February 14, 2003

Mr. Eric P. Neuman  
6450 Cecil Avenue  
St. Louis, MO 53105

Dear Eric:

Larry told me today that on Tuesday of this week our secretary inadvertently called you at home, while trying to reach Bernard Edison. He enjoyed the time you gave him on the phone and directed my attention to your "good samaritan" article you wrote in the November 2002 issue of *The Numismatist*. I, for one must have missed that issue. I enjoyed reading it today.

As you probably recall, in 1973 I testified as an industry representative for the Hobby Protection Act. I asked Congress to protect the collector from "copies" of coins, which were fooling a lot of innocent collectors. I asked for the lettering "COPY" be put on coins in letters at least ¼ inch high and embossed in the coins, not in raised letters which could conceivably be burnished off. (I might add similar requests were made by other hobby leaders in the field of Antique Silver, Early American glass, bronze and porcelain figurines, old watches and antique classical jewelry and so on).

The Treasury Department statements at that hearing seemed to avoid discussion about false currency except for current counterfeit paper money and coins that might be brought to their attention.

continued . . .



TELEPHONE 212/582-2580 • FAX 212/245-5018



*Stack's*

Page 2

Even today the Treasury Department permits copies of classic American coin designs, usually on enlarged or reduced planchets. Recent examples include the Buffalo Nickel, St. Gaudens \$20 Gold, Morgan Dollar, and Walking Liberty Half Dollar designs. There appears to be no copyright protecting the Designs of the United States coins. What a disgrace!

However, regardless how strongly we protested and argued in 1973 a weak, very difficult to enforce Hobby Protection Act came into play.

The PNG, especially during my tenure as President and Board member in the 1980s and 1990s, offered help to the FTC and SEC regarding these problems. Unfortunately, no government agency took any concrete action. We did try to protect collectors but I guess the public likes to be fooled, and have spent millions on these various copies.

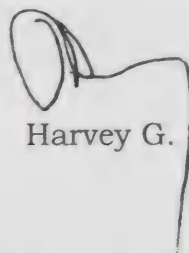
I don't disagree with your satirical idea for a club for Fake Money, but after my experience with the Hobby Protection Bill, I have found that these ideas fall on deaf ears at regulatory and governmental agencies.

I wish you luck with your ideas and surely hope you are more successful than I was for the past 25 years.

With all good wishes and warmest personal regards, I am

Sincerely,

STACK'S



Harvey G. Stack

/tf

P.S. Coincidentally with this letter a story about the FTC appeared in the current Numismatic News. Thought you would be interested in having it for your files.

## Federal Trade Commission seeks input

As part of its ongoing review of all rules and guides, the Federal Trade Commission announced Jan. 17 that it intended to seek public comments on the rules and regulations of the Hobby Protection Act.

Notice was published in the *Federal Register*, the daily publication that lists governmental activities in all sectors. No specifics were included, except to note that the study will be undertaken in 2003 much as it was in 1998.

"The Commission will request comments on, among other things, the economic impact of, and the continuing need for, the rule, guides, and statements of policy; possible conflict between the rule, guides, and statements of policy and state, local, or other federal laws or regulations; and the effect on the rule, guides, and statements of policy of any technological, economic, or other industry changes."

It is important to note that "No Commission determination on the need for or the substance of the rule, guides, and statements of policy should be inferred from the intent to publish requests for comments," the FTC notice said.

Neil Blickman, of the Bureau of Consumer Protection, FTC, 600 Pennsylvania Avenue, N.W., Washington D.C. 20580, is in charge of the year-long examination, details of which will be subsequently announced.

The Hobby Protection Act was passed by Congress on Nov. 29, 1973, after a legislative battle that saw hobby publisher Chester L. Krause, former American Numismatic Association president Virgil Hancock, dealer Harvey Stack, then-current ANA president John Jay Pittman and others testify.

While it does and did other things, the act requires manufacturers and importers of "imitation numismatic items" to mark the items "plainly and permanently" with the word "copy."

In response to a requirement that regulations be issued, the FTC in 1975 issued Rules and Regulations under the Hobby Protection Act. The FTC amended the rule in 1988 to provide additional guidance on the minimum size of letters for the word "copy" as a proportion of the diameter of coin reproductions.

In 1998 another review took place. The FTC then reported that "the comments received in this review appear to reflect a high level of compliance as to the two products covered by the Act and Rule (i.e., imitation political and numismatic items)."

The FTC received a total of 1,145 comments in response to its March 25, 1997, *Federal Register* request for comments. Of that number, nearly 1,000 comments were form letters that advocated expanding coverage of the act and rules to all antiques and collectibles, an area where the law has no authority.

Those desiring further details should contact Blickman by mail or telephone (202) 326-3038.

ERIC P. NEWMAN NUMISMATIC EDUCATION SOCIETY

6450 Cecil Avenue, St. Louis, Missouri 63105

Mr. Harvey Stack  
Stack's  
123 W. 57<sup>th</sup> St.  
New York City, NY 10019-2280

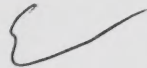
February 19, 2003

Dear Harvey:

Thank you for your Valentine Day's letter about the Hobby Destruction Act and the current request by the FTC for input. I am sending them the Fake Club spoof and nothing by way of suggestions. They didn't consider what I wrote in 1973 because 10 people did not make the same suggestions, and put my letter into an isolation file. I note that you received similar treatment.

No numismatic organization so far as I know has done anything to prevent the flood of fake junk or even suggested a boycott. You say your ideas fell on deaf ears but I think you might alter this to "political ears".

Thrive,



Eric P. Newman

additions

Code of Ethics is a mixture

(b)  
Sec 3 ~~of~~ Bylaws is contradictory to the  
Code of Ethics

~~selling or offering for sale or trade for value~~  
~~buying or offering to buy or trade acquiring~~  
~~acquire or offer to acquire for value~~  
or ~~acquiring~~ <sup>trading for value</sup> to sell or trade for value

~~transferring ownership or offering to transfer ownership~~  
~~the existence of an ANACS opinion that the~~  
~~item is not genuine and not disclosing such info~~  
~~selling or trading for value or offering to sell or trade for~~  
~~value or donating to a not for profit institution as having~~  
~~value without disclosing any ANACS that the~~  
~~item is not genuine~~  
knows of the proposed transfers

transferring for value or offering to transfer for value  
any  
knowing it to be

After an opinion has been given that  
by ANACS a numismatic item is not genuine  
After any opinion that a numismatic item is not genuine  
coin has been declared to be not genuine

Sold, offered for sale

When a forgery is ~~for~~ owned or  
member of his organization with which he is  
by anyone he must disclose

~~of ANACS or ANA~~ ANA ~~ANACS~~

on request he must disclose all details he knows  
concerning the forgery and its provenance.  
from

I agree not to violate the provisions of the Hobby Protection Act of the United States..